

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SYMSONIA WATER AND)	
SEWER DISTRICT FOR AN ADJUSTMENT OF)	CASE NO.
RATES PURSUANT TO THE ALTERNATIVE RATE)	2005-00197
FILING PROCEDURE FOR SMALL UTILITIES)	

O R D E R

On May 11, 2005, Symsonia Water and Sewer District ("Symsonia") filed an application for Commission approval of a proposed increase in water and sewer rates. Symsonia proposed to increase its annual revenue from water and sewer rates by 10 percent, or \$6,971 in additional water revenue and \$6,912 in additional sewer revenue. This proposal would increase the average monthly water bill for 5,000 gallons of usage from \$17.30 to \$20.38, an increase of 17.8 percent, and it would increase the monthly residential sewer rate from \$23.30 to \$25.64.

On June 10, 2005, the Attorney General of Kentucky, was granted intervention in this matter pursuant to KRS 367.150(8).

On June 24, 2005, the Commission issued a Staff Report that Commission Staff prepared after review of Symsonia's test-year operations. In its report, Commission Staff recommended that the requested increase be granted. The Commission directed the parties to file within 10 days its written comments regarding the Staff Report or requests for a hearing or informal conference. On July 1, 2005, the Office of the Attorney General filed written comments indicating that he did not request a hearing or an informal conference and did not object to the submission of the matter on the existing record. Symsonia did not submit any comments or request for hearing.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and should be adopted as the findings of the Commission.

2. The rates in Appendix A will produce annual revenue from water service of \$61,517 and from sewer service of \$76,037.

3. While the requested rates will not produce revenues sufficient to produce an operating ratio of 88 percent, the requested rates will not result in any degradation of service to the public.

4. “[I]n the absence of some showing that the service to the public will suffer by . . . [a] utility to charge rates which will not produce a fair return, the utility and not the Commission has the right of decision as to the rates it will charge so long as they do not exceed those which would produce a fair return as determined by the Commission.” Utilities Operating Co. v. King, 143 So.2d 854, 858, 45 PUR3d 439, 443 (Fla. 1962).

IT IS THEREFORE ORDERED that:

1. The findings contained in the Staff Report are adopted and incorporated by reference into this Order as if fully set out herein.

2. The rates in Appendix A are approved for service rendered by Symsonia on and after the date of this Order.

3. Within 30 days of the date of this Order, Symsonia shall file with the Commission its revised tariff setting out the rates approved herein.

4. Three years from the effective date of this Order, Symsonia shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service requirements.

Done at Frankfort, Kentucky, this 20th day of July, 2005.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00197 DATED JULY 20, 2005

The following rates and charges are prescribed for the customers in the area served by Symsonia Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8"x3/4" Meter:

First	1,000	gallons	\$11.65 Minimum Bill
Next	2,000	gallons	2.91 per 1,000 gallons
Next	7,000	gallons	2.24 per 1,000 gallons
Over	10,000	gallons	1.89 per 1,000 gallons

2" Meter:

First	20,000	gallons	\$50.48 Minimum Bill
Over	20,000	gallons	1.89 per 1,000 gallons

Monthly Sewer Rates

Residential Service	\$25.64
Other	25.64 per residential equivalent*

* A residential equivalent is defined as 12,000 gallons per month.