

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MUHLENBERG)	
COUNTY WATER DISTRICT FOR A)	
GENERAL RATE ADJUSTMENT PURSUANT)	CASE NO.
TO THE PROVISIONS OF KRS 278.030 AND)	2006-00248
807 KAR 5:001)	

ORDER

On May 3, 2007, the Commission issued an Order approving a rate adjustment for Muhlenberg County Water District (“Muhlenberg District”). In that Order, we found that Muhlenberg District’s requested revenues from water sales of \$2,797,325 are sufficient to meet its pro forma operating expenses and the debt service requirements of its long-term debt instruments, and to partially fund depreciation expense. We further found that Muhlenberg District’s *pro forma* operations could support a total revenue requirement from water sales of \$2,820,352. While we approved Muhlenberg District’s requested revenues of \$2,797,325, we directed the utility to apply for rehearing to revise its requested revenue requirement if Muhlenberg District deemed its requested revenue insufficient.

On May 21, 2007, Muhlenberg District moved for rehearing to adopt the amount of \$2,820,352 as its revised revenue requirement from water sales and for Commission approval of the rates set forth in Appendix B of the May 3, 2007 Order. Since the Commission thoroughly reviewed the rate application of Muhlenberg District and

approved the rate Muhlenberg District now intends to place into effect, the Commission finds Muhlenberg District 's motion should be granted.

IT IS THEREFORE ORDERED that:

1. Muhlenberg District's petition for rehearing is granted.
2. The rates set forth in Appendix A, attached hereto, are approved for service rendered by Muhlenberg District on and after the date of this Order.
3. Within 30 days of the date of this Order, Muhlenberg District shall file with the Commission its revised tariff setting forth the rates approved herein.
4. All other provisions of the May 3, 2007 Order not inconsistent herewith shall remain in full force and effect.

Done at Frankfort, Kentucky, this 4th day of June, 2007.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2006-00248 DATED JUNE 4, 2007

RATES AND CHARGES

5/8 x 3/4 Inch Connection

First	2,000 gallons	\$	19.27	Minimum bill
Next	8,000 gallons		6.24	per 1,000 gallons
Next	10,000 gallons		5.65	per 1,000 gallons
Next	30,000 gallons		5.07	per 1,000 gallons
Over	50,000 gallons		4.48	per 1,000 gallons

1 Inch Connection

First	5,000 gallons	\$	37.98	Minimum bill
Next	5,000 gallons		6.24	per 1,000 gallons
Next	10,000 gallons		5.65	per 1,000 gallons
Next	30,000 gallons		5.07	per 1,000 gallons
Over	50,000 gallons		4.48	per 1,000 gallons

1-1/2 Inch Connection

First	11,000 gallons	\$	74.80	Minimum bill
Next	9,000 gallons		5.65	per 1,000 gallons
Next	30,000 gallons		5.07	per 1,000 gallons
Over	50,000 gallons		4.48	per 1,000 gallons

2 Inch Connection

First	16,000 gallons	\$	103.03	Minimum bill
Next	4,000 gallons		5.65	per 1,000 gallons
Next	30,000 gallons		5.07	per 1,000 gallons
Over	50,000 gallons		4.48	per 1,000 gallons

3 Inch Connection

First	26,000 gallons	\$	156.02	Minimum bill
Next	24,000 gallons		5.07	per 1,000 gallons
Over	50,000 gallons		4.48	per 1,000 gallons

4 Inch Connection

First	36,000 gallons	\$	206.71	Minimum bill
Next	14,000 gallons		5.07	per 1,000 gallons
Over	50,000 gallons		4.48	per 1,000 gallons

Wholesale		\$	3.48	per 1,000 gallons
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