COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KNOTT COUNTY) WATER DISTRICT TO INCREASE CERTAIN) NON-RECURRING CHARGES)

CASE NO. 2007-00356

<u>ORDER</u>

On August 7, 2007, Knott County Water District ("Knott County") applied for authority to revise certain non-recurring charges. Knott County has provided adequate evidence that the individual expenses incurred to provide the services associated with the proposed non-recurring charges are equal to or do not exceed the cost of providing such service.

In its application, Knott County proposed adjustments to increase its returned check charge to \$30.00. Administrative Regulation 807 KAR 5:006, Section 8(3)(g), permits a utility to assess a charge to recover costs associated with returned checks. KRS 514.040(4)(b) generally limits a merchant's assessment of a "bad check fee" to a reasonable amount that does not exceed \$25. Knott County has clearly demonstrated that its costs associated with returned checks are \$30.00.

The Commission, having reviewed the record and being sufficiently advised, finds that the charges and policies set forth in the Appendix to this Order are fair, just, and reasonable and should be approved. IT IS THEREFORE ORDERED that:

1. The charges in the Appendix are approved for services rendered on and after September 5, 2007.

2. Within 20 days of the date of this Order, Knott County shall file with the Commission revised tariff sheets setting out the charges approved in Appendix A.

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

By the Commission

ATTEST:

Kobert a amate for the Executive Director

Case No. 2007-00356

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2007-00356 DATED September 4, 2007

The following rates and charges are prescribed for the customers in the area served by Knott County 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.

Non-Recurring Charges

5/8" Meter Tap-On Fee	\$600.00
Sewer Connection Fee	Actual Cost
Connection / Turn-On Fee	50.00
Deposit (Water)	2/12 of Customer's Bill
Field Visit	50.00
Meter Re-Read Charge	50.00
Service Call / Investigation	50.00
Returned Check Charge	30.00
Meter Relocation Charge	Actual Cost
Damage to Meter Setting or Lid	Actual Cost
Meter Test Fee	55.00
Re-Connection Charge	60.00
After Hours Connection / Turn-On Charge	75.00
After Hours Meter Re-Read Charge	75.00
After Hours Service Call	75.00
After Hours Re-Connection Charge	85.00