

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY-AMERICAN )  
WATER COMPANY FOR AN ADJUSTMENT OF ) CASE NO. 2009-00367  
SEWER RATES PURSUANT TO THE )  
ALTERNATIVE RATE FILING PROCEDURE )

O R D E R

Kentucky-American Water Company ("Kentucky-American") has notified the Commission in writing of its intent to apply for an adjustment in the rates that it presently charges for sewer service. In its notice it requests authorization to use the alternative rate filing procedure to make its application.

807 KAR 5:076 is an alternative rate filing procedure for small utilities with 500 or fewer customers or \$300,000 or less of gross annual revenues. In its notice, Kentucky-American states that, at the end of its proposed test year, 2008, it had 699 customers and \$312,843 in gross annual revenues. It does not meet the threshold requirements of the regulation and now seeks a deviation from the requirements of 807 KAR 5:076, Section 1. The Attorney General has advised the Commission that he has no objection to this request.

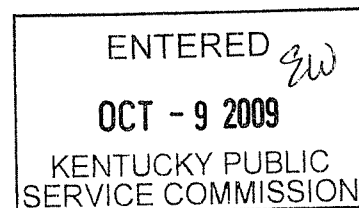
807 KAR 5:076, Section 7, provides the Commission with authority to permit deviations from this regulation for good cause shown. The Commission has exercised

such authority on previous occasions.<sup>1</sup> Having reviewed the notice and request and being otherwise sufficiently advised, the Commission finds that good cause exists to grant the requested deviation and that Kentucky-American should be allowed to use the alternative rate filing procedure for small utilities.

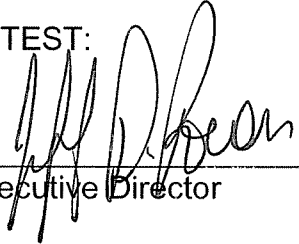
IT IS THEREFORE ORDERED that:

1. Kentucky-American's request for a deviation from 807 KAR 5:076 is granted.
2. Kentucky-American may use the alternative rate filing procedure to apply for an adjustment to its present rates for sewer service.

By the Commission



ATTEST:

  
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Executive Director

<sup>1</sup> See, e.g., Case No. 1996-00617, *The Application of East Knox County Water District for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities* (Ky. PSC Jan. 9, 1997); Case No. 2003-00237, *Application of Ledbetter Water District for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities* (Ky. PSC July 21, 2003); Case No. 2004-00379, *Application of Black Mountain Water District for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities* (Ky. PSC Oct. 20, 2004); Case No. 2007-00476, *Application of Garrison-Quincy-KY-O-Heights Water District for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities* (Ky. PSC Nov. 28, 2007).

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