

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT)	
FILING OF LOVELACEVILLE WATER)	CASE NO.
COMPANY)	2009-00381

O R D E R

On September 21, 2009, Lovelaceville Water Company ("Lovelaceville") filed its application for Commission approval of proposed water service rates. The proposed rates would generate additional annual revenues of \$8,716, a 120-percent increase in normalized test-year sales from water service rates of \$7,263. The proposed rates would increase the monthly bill of a customer using 5,000 gallons through a 5/8" x 3/4" connection from \$13.00 to \$28.60, or 120 percent.

Upon request, intervention was granted to the Attorney General of the Commonwealth of Kentucky by Order dated November 2, 2009.

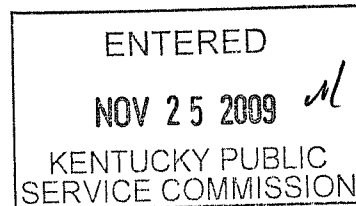
Commission Staff performed a limited financial review of Lovelaceville's operations and prepared a Staff Report that was issued by Order dated October 30, 2009. Staff's report recommended that the Commission approve the rates requested in Lovelaceville's application. The Order issuing the report granted all parties 10 days to comment or request an informal conference or hearing. The Commission has not received any comments or requests.

The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds that the rates proposed by Lovelaceville and shown in the Appendix to this Order are fair, just, and reasonable.

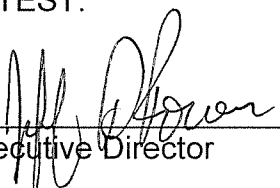
IT IS THEREFORE ORDERED that:

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 proposed by Lovelaceville and contained in the Appendix to this Order are approved for service rendered by Lovelaceville on and after the date of this Order.
3. Within 30 days of the date of this Order, Lovelaceville shall file with the Commission its revised tariffs setting out the rates approved herein and reflecting their effective date and that they were authorized by this Order.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00381 DATED **NOV 25 2009**

The following rates and charges are prescribed for the customers in the area serviced by Lovelaceville Water Company. 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

First	3,500	gallons	\$22.00 minimum bill
Over	3,500	gallons	4.40 per 1,000 gallons

Paul S McGowan
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