

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter of:

APPLICATION OF SOUTH HOPKINS WATER)
DISTRICT FOR APPROVAL OF A PROPOSED) CASE NO. 2010-00074
INCREASE IN RATES FOR WATER SERVICE)

ORDER

On February 19, 2010, South Hopkins Water District (“South Hopkins”) applied to the Commission for an increase in its water rates. The proposed rates would increase annual revenues by \$137,143 or 11.83 percent over normalized revenue from water sales of \$1,159,614.

Commission Staff performed a limited financial review of South Hopkins’ operations and, on March 19, 2010, issued a Staff Report containing its findings and recommendations concerning the proposed rates. In its report, Staff determined that the rates proposed, with minor revisions,¹ will allow South Hopkins to meet its operating expenses, service its debt and provide for future equity growth. Staff, therefore, recommended that the proposed rates in the Appendix be approved.

The Commission, by its Order issued on March 19, 2010, directed all parties to file written comments upon Staff’s findings and recommendations or to request a conference or hearing no later than April 2, 2010.

No comments were filed and the Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

¹ Commission Staff proposed a revision in the proposed rates to correct a discrepancy due to rounding.

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record and are reasonable.

2. Based upon its adjusted test-period operations, South Hopkins requires annual revenues of \$1,296,757 from annual water sales.

3. The rates set forth in the Appendix will generate annual revenue of \$1,296,802 based upon normalized test-period sales. The difference between annual revenue requirement and the annual revenue generated by the rates in the Appendix is de minimus.

4. South Hopkins' proposed rates should be denied.

5. The rates set forth in the Appendix to this Order should be the rates charged for service that South Hopkins renders on and after the date of this Order.

IT IS THEREFORE ORDERED that:

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

2. South Hopkins' proposed rates are denied.

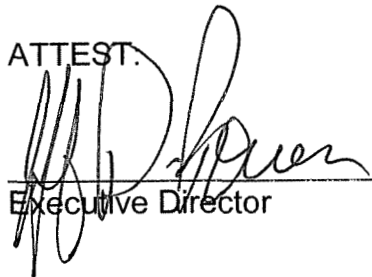
3. The rates set forth in the Appendix to this Order are approved for service rendered by South Hopkins on and after the date of this Order.

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

By the Commission

ENTERED
APR 28 2010 *al*
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST.



Executive Director

Case No. 2010-00074

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00074 DATED APR 28 2010

MONTHLY WATER RATES

5/8" x 3/4" Meter

First	1,000 gallons	\$ 9.17 minimum bill
Next	9,000 gallons	4.76 per 1,000 gallons
Next	10,000 gallons	4.40 per 1,000 gallons
Next	30,000 gallons	4.04 per 1,000 gallons
Over	50,000 gallons	3.37 per 1,000 gallons

1" Meter

First	10,000 gallons	\$ 52.01 minimum bill
Next	10,000 gallons	4.40 per 1,000 gallons
Next	30,000 gallons	4.04 per 1,000 gallons
Over	50,000 gallons	3.37 per 1,000 gallons

2" Meter

First	20,000 gallons	\$ 96.01 minimum bill
Next	30,000 gallons	4.04 per 1,000 gallons
Over	50,000 gallons	3.37 per 1,000 gallons

3" Meter

First	50,000 gallons	\$ 217.21 minimum bill
Over	50,000 gallons	3.37 per 1,000 gallons

City of Morton's Gap \$ 2.35 per 1,000 gallons

City of Earlington \$ 2.37 per 1,000 gallons

Caldwell County Water District \$ 2.41 per 1,000 gallons

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