BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2001-164-W/S - ORDER NO. 2004-566

NOVEMBER 15, 2004

IN RE: Application of Kiawah Island Utility, Inc. for Approval of an Increase in its Rates and Charges for Water and Sewer Service.	))))	ORDER GRANTING COMMODITY INCREASE

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request for review of an increase in the rates for potable water of Kiawah Island Utility, Inc. (Kiawah or the Company) to its customers as a result of an increase in the cost of potable water provided by St. John's Water Company to Kiawah.

Kiawah has filed a request to increase its rates for water by $0.04 per 1,000 gallons as the result of a like wholesale rate increase by St. John's Water Company. We agree that this is simply a passthrough of the wholesale rate increase that should be granted to Kiawah, and we therefore approve it.

The Company shall provide notice to its customers 30 days in advance of instituting the rate increase, as required by Commission Order Nos. 2002-285 and 2002-517. Affidavits shall be provided to the Commission as proof of the notice being provided to the Company's customers. Staff shall modify the existing Appendix A to Order No. 2002-285 accordingly and serve a copy of it on the Company.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

/s/
Randy Mitchell, Chairman

ATTEST:

/s/
G. O'Neal Hamilton, Vice Chairman

(SEAL)