PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING AND HEARING

DOCKET NO. 2008-460-WS

APPLICATION OF AVONDALE MILLS, INC. FOR APPROVAL OF A NEW SCHEDULE OF RATES AND CHARGES FOR WATER AND SEWERAGE SERVICES PROVIDED TO CUSTOMERS

Avondale Mills, Inc. ("Avondale" or "the Company") has filed an Application with the Public Service Commission of South Carolina (" Commission") for approval of an increase in its existing water and sewer rates pursuant to S.C. Code Ann. §58-5-240. In addition, Avondale seeks approval of the depreciation rates which have been utilized in the application. Avondale also requests approval of a pass-through mechanism to reflect increases from Avondale's bulk water providers and sewer treatment provider.

The Application reveals that Avondale furnishes water distribution service and sewer collection service to 616 water customers and 495 sewer customers in Graniteville and Vaucluse communities in Aiken County, South Carolina. In its Application, Avondale indicated its justifications for its requested rate relief. According to the Application, for the test year ending August 29, 2008, after accounting and pro forma adjustments for known and measurable changes, the Company has a loss of $613,099 and a negative Operating Margin of 554.35%. Further, the Company's current rates were approved in January 1980. Additionally, the Company asserts that it will not be able to provide proper maintenance, upgrades and additions that are required to meet the standards mandated by the Department of Health and Environmental Control and other regulatory bodies.

THE PROPOSED SCHEDULE OF RATES AND CHARGES ARE SET FORTH BELOW (The complete rate schedule is available from the Company at the address below and on the Commission's website at www.psc.sc.gov. Also, a copy of the Company's current rates and charges can be accessed at www.psc.sc.gov under Order No. 96-661 or by calling 803-896-5100).

WATER

RESIDENTIAL & COMMERCIAL CUSTOMERS

Base Facility Charge	Commodity Charge per 1000 gallons
$8.00	$4.50

APARTMENT COMPLEX – MULTIPLE BUILDINGS SERVED BY A SINGLE METER

Base Facility Charge	Commodity Charge per 1000 gallons
$50.00	$4.50

IRRIGATION CUSTOMERS

Base Facility Charge	Commodity Charge per 1000 gallons
$12.00	$5.65

INDUSTRIAL CUSTOMERS

Base Facility Charge	Commodity Charge per 1000 gallons
$50.00	$4.50

Water Tap-In Fee for New Connections	5/8" Meter	$550.00
Notification Fee (notices regarding pending disconnections)		$ 5.00
Customer Account Charge		$ 15.00
Reconnection Charges		$ 35.00

SEWER

RESIDENTIAL & COMMERCIAL CUSTOMERS

Base Facility Charge	Commodity Charge per 1000 gallons
$6.00	$6.50

APARTMENT COMPLEX – MULTIPLE BUILDINGS SERVED BY A SINGLE METER

Base Facility Charge	Commodity Charge per 1000 gallons
$35.00	$6.50

INDUSTRIAL CUSTOMERS

Base Facility Charge	Commodity Charge per 1000 gallons
$35.00	$6.50

Sewer Tap-In Fee for New Connections	5/8" Meter	$550.00
Notification Fee (notices regarding pending disconnections)		$ 5.00
Customer Account Charge		$ 15.00
Reconnection Charges (plus any other charges due)		$250.00

A copy of the Company's Application can be obtained from the Commission at the following address: Public Service Commission of South Carolina, Docketing Department, P.O. Drawer 11649, Columbia, South Carolina 29211. Additionally, Avondale's Application is available on the Commission's website at www.psc.sc.gov.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 101 Executive Center Dr., Columbia, S.C. on **Thursday, April 30, 2009 at 10:30 a.m.**

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure, on or before **February 24, 2009** and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. ***Please refer to Docket No. 2008-460-WS.***

Any person who wishes to testify and present evidence at the hearing should notify, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, at 1401Main Street, Suite 900, Columbia, South Carolina 29201 and Scott Elliott, Esquire, Elliott & Elliott, P.A., 721 Olive Street, Columbia, South Carolina 29205 on or before **February 24, 2009**, and indicate the amount of time required for the presentation. ***Please refer to Docket No. 2008-460-WS.***

Any person who wishes to request a hearing in his or her county of residence should notify on or before February 24, 2009, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, at 1401 Main Street, Suite 900, Columbia, South Carolina 29201 and Scott Elliott, Esquire, Elliott & Elliott, P.A., 721 Olive Street, Columbia, South Carolina 29205. ***Please refer to Docket No. 2008-460-WS.***

Any person, who wishes to be notified of any change in the hearing date, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department in writing at the address below on or before **February 24, 2009.** ***Please refer to Docket No. 2008-460-WS.***

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina
Attn: Docketing Department
Post Office Drawer 11649
Columbia, SC 29211

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