

COMMONWEALTH OF KENTUCKY
BEFORE THE UTILITY REGULATORY COMMISSION

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In the Matter of

THE ESTABLISHMENT OF A)	
PURCHASED WATER ADJUSTMENT)	ADMINISTRATIVE
TARIFF PROVISION BY WATER)	CASE NO. 232
UTILITIES)	

O R D E R

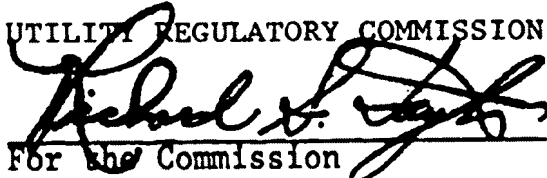
The Commission, having determined that water utilities often receive limited notice with respect to increases in the cost of purchased water and that delays in recovery of this cost may adversely affect the financial condition of the utility and service to its customers, is of the opinion and finds that its current procedures with respect to filings for rate adjustments attributable solely to an increase in the cost of purchased water should be re-examined and that water utilities should be afforded an opportunity to institute a purchased water adjustment tariff clause and that an abbreviated application should be utilized.

IT IS THEREFORE ORDERED That a generic hearing to consider these matters be and it hereby is scheduled on the 4th day of December, 1980 at 10:30 a.m., Eastern Standard Time, in the Commission's offices at Frankfort, Kentucky.

IT IS FURTHER ORDERED That each water utility intending to appear at the hearing and institute a purchased water adjustment tariff clause shall publish once a week for three (3) consecutive weeks in a newspaper or newspapers of general circulation in the areas served by the utility or shall at least twenty (20) days prior to the date of hearing mail to each customer (typewritten or printed) the following notice:

The Utility Regulatory Commission has scheduled a hearing on the 4th day of December, 1980 at 10:30 a.m., Eastern Standard Time, in its offices at Frankfort, Kentucky, for the purpose of receiving testimony and comments with regard to the establishment of appropriate tariff provisions by water utilities whereby increases in the cost of purchased water would be passed on to customers without notice and hearing upon the filing of an application with the Commission and approval of revised rates by the Commission. This procedure would avoid delays which could affect the financial condition of the utility and its service. The Utility Regulatory Commission will examine each filing to determine whether all or part of an increase in the cost of purchased water could be absorbed by the utility.

Done at Frankfort, Kentucky, this 16th day of October,
1980.

UTILITY REGULATORY COMMISSION

For the Commission

ATTEST:

Secretary