

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF BARNESBURG WATER ASSOCIATION) CASE NO. 7334-1

O R D E R

On June 24, 1982, Barnesburg Water Association ("Barnesburg") filed its application seeking authority to adjust its rates in accordance with 807 KAR 5:067, Purchased Water Adjustment Clause. Barnesburg's supplier, Kentucky Water Service Company, Inc., notified Barnesburg of an increase in the wholesale cost of water from \$1.10 to \$1.25 per 1000 gallons pursuant to an Order of the Public Service Commission in Case No. 8370, Notice of Kentucky Water Service Company, Inc., of Adjustment of Water Rates, dated April 9, 1982.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

(1) Barnesburg's supplier, Kentucky Water Service Company, Inc., increased the wholesale cost of water to \$1.25 per 1000 gallons, effective April 9, 1982.

(2) The financial exhibits filed by Barnesburg indicate that it cannot absorb the increased cost of wholesale water.

(3) The calculation for the purchased water adjustment in the amount of \$.18 per 1000 gallons made by Barnesburg is correct and should be approved.

(4) The base rate for future application of the purchased water adjustment clause should be:

| <u>Supplier</u> | <u>Rate</u> |
|--------------------------------------|--------------------------|
| Kentucky Water Service Company, Inc. | \$1.25 per 1,000 gallons |

(5) The rates in Appendix A are fair, just and reasonable and should be approved.

IT IS THEREFORE ORDERED that the purchased water adjustment in the amount of \$.18 per 1000 gallons and the rates in Appendix A be and they hereby are approved for service rendered on and after the date of this Order.

IT IS FURTHER ORDERED that for the purpose of future application of the purchased water adjustment clause of Barnesburg, the base rate for purchased water shall be:

| <u>Supplier</u> | <u>Rate</u> |
|--------------------------------------|--------------------------|
| Kentucky Water Service Company, Inc. | \$1.25 per 1,000 gallons |

IT IS FURTHER ORDERED that within 30 days of the date of this Order, Barnesburg shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 5th day of August, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Voth
Chairman

Katherine Randall
Vice Chairman

Ann Carrigan
Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 7334-1 DATED AUGUST 15, 1982

The following rates are prescribed for the customers of Barnesburg Water Association. 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.

GALLONAGE BLOCK

RATE

| | |
|--------------------|-----------------------|
| First 1500 gallons | \$7.52 minimum |
| Next 1500 gallons | 2.93 per 1000 gallons |
| Next 2000 gallons | 2.68 per 1000 gallons |
| Over 5000 gallons | 2.43 per 1000 gallons |