

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

GENERAL ADJUSTMENT OF RATES )  
OF MARYVILLE SEWERAGE ) CASE NO. 8654  
SYSTEM, INC., PETITION )  
FOR RECONSIDERATION )

O R D E R

On August 27, 1982, Maryville Sewerage System, Inc., ("Maryville") filed an application with the Commission requesting authority to increase its revenues by approximately \$73,672 annually, an increase of 31 percent. On February 17, 1983, the Commission issued its Order in this case which granted an increase in revenues of \$30,161 annually, an increase of 13 percent. On March 9, 1983, Maryville filed a petition for reconsideration on certain issues in the case.

After consideration of the information presented in the petition the Commission has determined that the issue raised concerning the increase in gas and electric expense based on the increase in rates granted by this Commission to the Louisville Gas and Electric Company ("LG&E") on March 1, 1983, merits further consideration.

An adjustment was made in the original Order in this case to increase electric and gas expense based on actual test year

usage and the rates in effect for LG&E at the end of the test period.<sup>1</sup> The petition requests reconsideration of this adjustment based on LG&E's most recent rate increase. The LG&E Order was issued subsequent to Maryville's Order and it was not possible to accurately determine its effect at the time Maryville's Order was issued.

However, the Commission has determined that reconsideration of this issue should be granted for the following reasons: First, the amount of the increased expense is now "known and measurable" as the Commission's policy requires for adjustments to be accepted. Second, the increase and Maryville's request is spurred by concurrent action of the Commission itself in granting the LG&E increase. In addition, it is the Commission's intent to set rates to prevent unnecessarily frequent rate filings which are time consuming and expensive for all. Therefore, based on the aforementioned factors the Commission has reconsidered this issue and a determination has been made to increase electric and gas expense by \$4,992 over the amount previously allowed.

After consideration of the effect of this adjustment on the net income allowed based on the 92 percent operating ratio and the effect on income tax expense the total additional revenues allowed herein are \$5,426.

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<sup>1</sup> Rates in effect at January 1, 1982, Case No. 8284, LG&E's rate case.

The Commission is of the opinion that no significant point or additional information has been presented in the petition which would warrant reconsideration of the other issues discussed in the petition. Therefore, the original Order as issued reflects the Commission's decision on these other issues.

#### REVENUE REQUIREMENTS

In recognition of the items which have been reconsidered herein the Commission has determined that Maryville is entitled to increase its rates to produce total annual revenues of \$269,715 which will require an increase in revenues of \$5,426 over and above the amount previously allowed.

#### SUMMARY

The Commission, having considered the petition for reconsideration, is of the opinion and finds that:

1. No significant point or additional information has been brought forth to warrant reconsideration of the issues discussed in the petition except for those issues which have been reconsidered herein.

2. Maryville should be allowed to adjust its rates in recognition of those issues which have been reconsidered herein.

IT IS THEREFORE ORDERED that the petition for reconsideration be and it hereby is denied except for those issues which have been reconsidered herein.

IT IS FURTHER ORDERED that the rates in Appendix A be and they hereby are approved for service rendered by Maryville on and after the date of this Order.

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

IT IS FURTHER ORDERED that the provisions from the Commission's Order of February 17, 1983, which have not been modified herein shall remain in full force and effect.

Done at Frankfort, Kentucky, this 29th day of March, 1983.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. 8654 DATED March  
29, 1983.

The following rates and charges are prescribed for the customers in the area served by Maryville Sewage System, Inc., located in Jefferson County, Kentucky. 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 date of this Order.

<u>Customer Category</u>	<u>Monthly Rate</u>
Single Family Residential	\$10.95 per residence
Commercial	21.90 per residential equivalent
Multi Family Residential	8.30 per apartment