COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED WATER ADJUSTMENT)OF PENDLETON COUNTY WATER)DISTRICT - DIVISION II)

ORDER

On May 30, 1985, Pendleton County Water District, Division II, (Pendleton") filed its application with the Public Service Commission ("Commission") seeking authority to adjust its rates in accordance with 807 KAR 5:067, Purchased Water Adjustment Clause.

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

(1) Pendleton's supplier, City of Falmouth ("City"), increased the wholesale cost of water an average of \$.47 per 1,000 gallons, effective with July 1985 billings.

(2) The statements of water purchased and sold filed by Pendleton for the 12-month period ending April 30, 1985, show that its water loss for Division II is less than one percent.

(3) The total allowable increase in purchased water costs is \$4,713, resulting in a purchased water adjustment in the amount of \$.47 per 1,000 gallons.

(4) The financial information filed by Pendleton indicates that it cannot absorb an increase of this magnitude.

(5) The purchased water adjustment in the amount of \$.47 per 1,000 gallons and 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 \$.47 per 1,000 gallons and the rates in Appendix A be and they hereby are approved for services 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 Pendleton, the base rate for purchased water shall be:

Supplier

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Rate

City of Falmouth First 2,000 gal. \$ 7.50 minimum Next 3,000 gal. 1.59 per 1,000 gal. Next 5,000 gal. 1.30 per 1,000 gal. Next 40,000 gal. 1.08 per 1,000 gal. Over 50,000 gal. 1.40 per 1,000 gal.

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

Done at Frankfort, Kentucky, this 18th day of July, 1985.

PUBLIC SERVICE COMMISSION

Chairman Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9350 DATED JULY 18, 1985

The following rates and charges are prescribed for the customers in the area served by Pendleton County Water District, Division II. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RESIDENTIAL

Gallonage Blocks

First 2,000 gallons Next 3,000 gallons Next 10,000 gallons Over 15,000 gallons Rates

\$9.21 Minimum
3.41 per 1,000 gallons
2.71 per 1,000 gallons

2.61 per 1,000 gallons

SPECIAL CONTRACTS

<u>GRIFFIN INDUSTRIES</u> <u>Usage Blocks</u>

First 1,200,000 gallons Over 1,200,000 gallons

PENDLETON COUNTY HIGH SCHOOL

Usage Blocks

First 150,000 gallons

Over 150,000 gallons

Rates

Rates

\$3,172.00 Minimum

\$410.20 minimum

2.61 per 1,000 gallons

2.61 per 1,000 gallons