

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NORTHEAST WOODFORD)
COUNTY WATER DISTRICT FOR A RATE)
ADJUSTMENT PURSUANT TO THE ALTERNATIVE) CASE NO. 10210
RATE FILING PROCEDURE FOR SMALL)
UTILITIES)

O R D E R

On March 31, 1988, Northeast Woodford County Water District ("Northeast") filed an application seeking approval to increase its adjusted test-year revenues from rates of \$159,922 by \$11,383, an increase of 7.12 percent, pursuant to the Alternative Rate Filing Procedure for Small Utilities.

On May 24, 1988, the Commission Staff ("Staff") conducted a field review of Northeast's test period financial records. On June 21, 1988, Staff issued its report recommending an \$8,155 increase in rates. Northeast filed its response to the Staff Report on July 18, 1988 accepting Staff's findings and recommendations with correction of a typographical error on the Appendix A attached to the Staff Report.

Neither Northeast nor the Commission sought a hearing in this matter. There were no intervenors and all requested information has been filed.

After careful review and investigation of Staff's recommendations, the Commission is of the opinion that after Staff's proposals are implemented, Northeast will have adequate cash flow to meet its operating expenses, service its debt, and

provide for future equity growth. Therefore, the Commission affirms Staff's recommended increase in revenues from rates of \$8,155, an increase of 5.10 percent.

In Appendix A of the Staff Report issued in this case the rate in the second rate increment of the 2-inch meter rate block was inadvertently given as \$1.20 per 1,000 gallons. This rate should have been given as \$1.40 per 1,000 gallons and is corrected as such in Appendix A of this Order.

FINDINGS AND ORDERS

1. Northeast should be granted rates which would produce additional annual revenues of \$8,155 over adjusted test-year revenues from rates of \$159,922.

2. The rates and charges in Appendix A are the fair, just, and reasonable rates and charges to be charged by Northeast in that they should produce annual revenues of \$168,077.

3. Within 30 days of the date of this Order, Northeast should file with this Commission its revised tariff sheets setting out the rates approved herein.

IT IS THEREFORE ORDERED that:

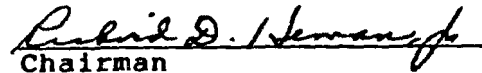
1. Northeast be and hereby is granted rates to produce additional revenues of \$8,155 over adjusted test-year revenues from rates of \$159,922.

2. The rates in Appendix A are the fair, just, and reasonable rates to be charged by Northeast for service rendered on and after the date of this Order.

3. Within 30 days of the date of this Order, Northeast shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 29th day of July, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 10210 DATED 7/29/88

The following rates and charges are prescribed for the customers in the area served by Northeast Woodford County Water District. 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.

5/8 Inch x 3/4 Inch and 1 Inch Meters

First 2,000 gallons	\$6.90 minimum bill
Next 2,000 gallons	2.15 per 1,000 gallons
Next 6,000 gallons	1.80 per 1,000 gallons
Over 10,000 gallons	1.40 per 1,000 gallons

2 Inch Meters

First 20,000 gallons	\$36.00 minimum bill
Over 20,000 gallons	1.40 per 1,000 gallons