

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
CAMPBELL COUNTY KENTUCKY WATER) CASE NO. 10420
DISTRICT)

O R D E R

On October 21, 1988, Campbell County Kentucky Water District ("Campbell") filed revised tariff sheets with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to KRS 278.015 and 807 KAR 5:068, Purchased Water Adjustment.

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

1. Campbell purchases water from the City of Newport ("Newport") and Kenton County Water District ("Kenton").

2. Effective October 31, 1988, Newport increased its rate for wholesale water from \$.52 to \$.77 per 1,000 gallons.

3. Pursuant to the October 7, 1987 Order in Case No. 9846, Application of Kenton County Water District No. 1(A) To Issue Revenue Bonds in the Approximate Amount of \$21,930,000; (B) To Construct Additional Plant Facilities of Approximately \$19,214,000; and (C) Notice of Adjustment of Rates Effective May 1, 1987, Kenton increased its rate for water sold to Campbell from \$.6551 to \$.7750 per 1,000 gallons.

4. Campbell proposed to increase the rates to its customers effective December 1, 1988.

5. During the 12 months ending September 31, 1987, Campbell purchased 1,613,306,800 gallons of water from Newport and 325,118,400 gallons from Kenton. Campbell sold 1,674,194,100 gallons during the same 12-month period.

6. Due to a mathematical error in computing the cost of water purchased from Kenton at the base rate, Campbell showed the increase in water costs to be \$439,057. The correct amount of increase is \$442,308. However, the difference in the cost figures is minimal and does not affect the purchased water adjustment amount of \$.26 per 1,000 gallons.

7. The rates proposed by Campbell are incorrect in that the purchased water adjustment was not correctly applied on a per unit basis to the minimum bills for the various size meters and its wholesale rates as required by 807 KAR 5:068. The proposed rates should, therefore, be denied.

8. The purchased water adjustment in the amount of \$.26 per 1,000 gallons and the rates in Appendix A are fair, just, and reasonable and should be approved.

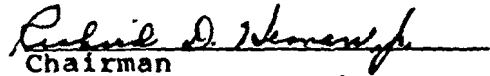
IT IS THEREFORE ORDERED that:

1. The rates proposed by Campbell are denied.
2. The purchased water adjustment of \$.26 per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after December 1, 1988.

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

Done at Frankfort, Kentucky, this 21st day of November, 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. 10420 DATED 11/21/88

The following rates and charges are prescribed for the customers in the area served by Campbell County Kentucky 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.

RATE SCHEDULE

First 3,000 gallons used per quarter	\$13.33	Minimum Bill
Next 12,000 gallons used per quarter	2.79	per 1,000 gallons
Next 30,000 gallons used per quarter	2.34	per 1,000 gallons
Next 105,000 gallons used per quarter	2.24	per 1,000 gallons
Over 150,000 gallons used per quarter	2.14	per 1,000 gallons

MINIMUM QUARTERLY BILLS

<u>Meter Size</u>	<u>Minimum Usage</u>	<u>Minimum Bill</u>
5/8 inch meter	3,000 gallons	\$ 13.33
3/4 inch meter	4,444 gallons	17.21
1 inch meter	11,757 gallons	36.88
1 1/2 inch meter	28,610 gallons	76.09
2 inch meter	47,560 gallons	118.28
3 inch meter	140,050 gallons	316.22
4 inch meter	260,440 gallons	562.78
6 inch meter	642,369 gallons	1,188.15

Wholesale Customers

Pendleton County Water District	\$1.14
City of Highland Heights	1.09
City of Crestview	1.09
Kenton County Water District No. 1	1.03