

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
CUMBERLAND FALLS HIGHWAY WATER) CASE NO. 90-141
DISTRICT)

O R D E R

On May 21, 1990, Cumberland Falls Highway Water District ("Cumberland Falls") filed a revised tariff with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068. Subsequently, on June 8, 1990, Cumberland Falls filed a revised tariff sheet in order to comply with 807 KAR 5:011, Section 3(4)(e).

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Cumberland Falls purchases water from the City Utilities Commission, Corbin, Kentucky ("Corbin Utilities"), West Laurel Water Association ("West Laurel"), and the city of Williamsburg ("Williamsburg").

2. Effective with its June 1, 1990 billing, Corbin Utilities increased its rate for water sold to Cumberland Falls from \$1.05 to \$1.40 per 1,000 gallons. There was no increase in the \$50 per month service charge. Effective January 1, 1990, West Laurel increased its rate for water sold to Cumberland Falls from

\$1.29 to \$1.47 per 1,000 gallons. There has been no change in the rate charged by Williamsburg.

3. Cumberland Falls increased the rates to its customers effective June 1, 1990.

4. During the 12 months ending March 31, 1990, Cumberland Falls purchased a total of 114,981,700 gallons of water, 54,482,000 gallons of which were purchased from Williamsburg, 58,897,000 gallons of which were purchased from Corbin Utilities, and 1,602,700 gallons of which were purchased from West Laurel.

5. Cumberland Falls sold 80,157,900 gallons of water during the same 12-month period.

6. The increase in purchased water costs is \$20,902, resulting in a purchased water adjustment of 26 cents per 1,000 gallons of water.

7. The purchased water adjustment of 26 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

8. The tariff sheet filed by Cumberland Falls is correct and should be approved as filed.

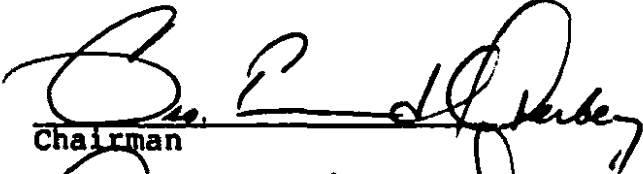
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of 26 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are approved for services rendered on and after June 1, 1990.

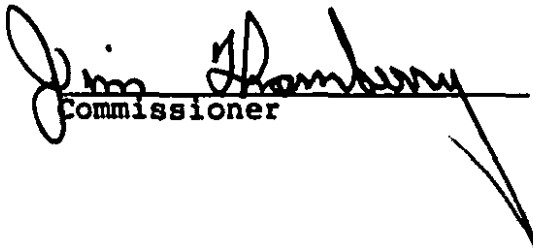
2. Within 20 days of the date of this Order, Cumberland Falls shall file with the Commission a copy of the published notice to its customers and verification that the notice has been given.

Done at Frankfort, Kentucky, this 20th day of June, 1990.

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. 90-141 DATED June 20, 1990

The following rates and charges are prescribed for the customers in the area served by Cumberland Falls Highway 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.

Usage Blocks

First 1,000 gallons
Next 4,000 gallons
Next 5,000 gallons
Over 10,000 gallons

Monthly Rates

\$11.69 Minimum Bill
4.09 per 1,000 gallons
3.24 per 1,000 gallons
2.69 per 1,000 gallons

Minimum Bills

<u>Meter Size</u>	<u>Usage Allowance</u>	<u>Minimum Bill</u>
5/8 x 3/4 inch meter	1,000 gallons	\$11.69
1 inch meter	5,000 gallons	28.05
2 inch meter	25,000 gallons	84.60

Monthly Rate

Whitley County Water District \$1.84 per 1,000 gallons