

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF WEST )  
CARROLL WATER DISTRICT ) CASE NO. 90-243

O R D E R

On August 21, 1990, West Carroll Water District ("West Carroll") filed its 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.

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

1. West Carroll purchases its water from the Carrollton Utilities Commission, Carrollton, Kentucky ("Carrollton Utilities"), Henry County Water District ("Henry County"), and Trimble County Water District ("Trimble County").

2. Carrollton Utilities bills on a declining block rate schedule. Effective September 1, 1990, Carrollton Utilities increased its rate for water sold to West Carroll by approximately 63 cents per 1,000 gallons. There has been no change in the rates charged by Henry County and Trimble County.

3. West Carroll proposed to adjust the rates to its customers effective October 1, 1990.

4. During the 12 months ending July 31, 1990, West Carroll purchased a total of 49,313,000 gallons of water, 29,935,600 gallons of which were purchased from Carrollton Utilities, 7,766,500 gallons of which were purchased from Henry County and 11,610,900 gallons of which were purchased from Trimble County.

5. West Carroll sold 37,872,670 gallons of water during the same 12-month period.

6. West Carroll's calculations are incorrect due to mathematical errors. The correct increase in purchased water costs is \$18,988, resulting in a purchased water adjustment of 50 cents per 1,000 gallons.

7. The purchased water adjustment of 50 cents per 1,000 gallons shown in Appendix B and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

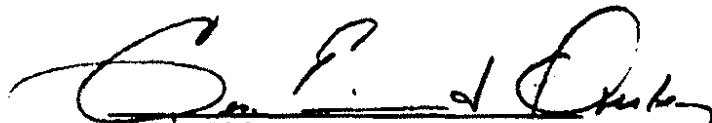
1. The purchased water adjustment and rates proposed by West Carroll are denied.

2. The purchased water adjustment of 50 cents per 1,000 gallons shown in Appendix B and the rates in Appendix A are approved for services rendered on and after October 1, 1990.

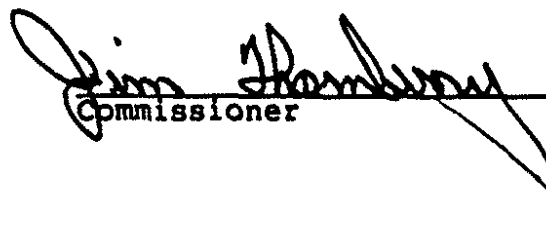
3. Within 30 days of the date of this Order, West Carroll shall file its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 17th day of September, 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. 90-243 DATED 9/17/90

The following rates and charges are prescribed for the customers in the area served by West Carroll 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. .

Rates: Monthly

First 2,000 gallons	\$10.25 Minimum Bill
Next 3,000 gallons	4.00 per 1,000 gallons
Next 5,000 gallons	3.25 per 1,000 gallons
Next 10,000 gallons	2.75 per 1,000 gallons
Next 20,000 gallons	2.25 per 1,000 gallons
Over 40,000 gallons	2.00 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
 COMMISSION IN CASE NO. 90-243 DATED 9/17/90

PURCHASED WATER ADJUSTMENT CALCULATIONS

Water Purchased:	Henry County Water District	7,766,500 gals.
	Trimble County Water District	11,610,900 gals.
	Carrollton Utilities	<u>29,935,600 gals.</u>
		49,313,000 gals.

Water Sold: 37,872,670 gallons

Cost at Changed Rate:

First 1,000 gal. x 12 mo. =	12,000 gal. (12 X \$8.15) =	\$ 97.80
Next 4,000 gal. x 12 mo. =	48,000 gal. x 1.99 =	95.52
Next 20,000 gal. x 12 mo. =	240,000 gal. x 1.79 =	429.60
Next 35,000 gal. x 12 mo. =	420,000 gal. x 1.59 =	667.80
Over 60,000 gal. x 12 mo. =	<u>29,215,600 gal. x 1.39 =</u>	<u>40,609.68</u>
	29,935,600 gal.	\$41,900.40

LESS

Cost at Base Rate:

First 1,000 gal. x 12 mo. =	12,000 gal. (12 X \$6.96) =	\$ 83.52
Next 4,000 gal. x 12 mo. =	48,000 gal. x 1.55 =	74.40
Next 15,000 gal. x 12 mo. =	180,000 gal. x 1.35 =	243.00
Next 20,000 gal. x 12 mo. =	240,000 gal. x 1.15 =	276.00
Next 60,000 gal. x 12 mo. =	720,000 gal. x .95 =	684.00
Over 100,000 gal. x 12 mo. =	<u>28,735,600 gal. x .75 =</u>	<u>21,551.70</u>
	29,935,600	\$22,912.62

Increase: \$18,987.78

\$18,987.78 + 37,872.67 = \$.5014 or \$.50/1,000 gallons