

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
MURRAY NO. 1 WATER DISTRICT) CASE NO. 91-161

O R D E R

On May 23, 1991, Murray No. 1 Water District ("District") 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 revised tariff sheet filed by the District listed an effective date for the proposed rate increase of May 1, 1991. The District's application was filed with the Commission on May 23, 1991. KRS 278.015 and 807 KAR 5:068, Section 3, require a water district to file its revised tariff with the Commission within 20 days of the date it adjusts its rates due to increases in purchased water costs. Thus, water districts are authorized to charge the adjusted rates for a maximum of 20 days prior to filing a revised tariff with the Commission. Therefore, the District's adjusted rates should be made effective May 4, 1991. The revised tariff also omitted the rate schedule covering the 3/4 inch meter which is in effect on the current tariff. After consultation with Commission Staff, the District filed a corrected tariff May 30, 1991 and the record is now complete.

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

1. The District's supplier, Murray Water and Wastewater System ("Murray"), increased its rate for water sold to the District from \$.85 to \$1.25 per 1,000 gallons, effective with the billing payable May 1, 1991.

2. During the 12 months ending February 28, 1991, the District purchased 43,393,400 gallons of water and sold 36,410,300 gallons.

3. The calculations made by the District are correct and show an increase in purchased water costs of \$17,357, resulting in a purchased water adjustment of 48 cents per 1,000 gallons.

4. The purchased water adjustment of 48 cents per 1,000 gallons and the rates shown in Appendix A, attached hereto and incorporated herein, are fair, just and reasonable and should be approved.

5. The tariff sheet filed by the District May 30, 1991 is correct and should be approved as filed.

6. Although the District filed proof of notice to its customers with its application, the notice did not include the increased rate for 3/4 inch meters. Therefore, the District should renotify its customers, said notice to include the rate for 3/4 inch meters.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment in the amount of 48 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after May 4, 1991.

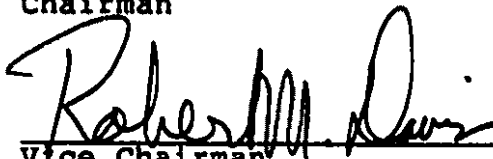
2. The tariff filed by the District May 30, 1991 is hereby approved.

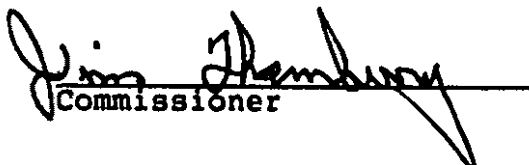
3. Within 20 days of the date of this Order, the District shall file a copy of the notice to its customers which includes the rate for 3/4 inch meters, and verification that such notice has been given.

Done at Frankfort, Kentucky, this 19th day of June, 1991.

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. 91-161 DATED 6/19/91

The following rates and charges are prescribed for the customers in the area served by Murray No. 1 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

Monthly Rates

5/8 Inch Meter

First 2,000 gallons	\$8.11 (Minimum Bill)
Next 3,000 gallons	2.88 per 1,000 gallons
Next 5,000 gallons	2.38 per 1,000 gallons
Next 10,000 gallons	2.03 per 1,000 gallons
Over 20,000 gallons	1.68 per 1,000 gallons

3/4 Inch Meter

First 3,000 gallons	\$10.99 (Minimum Bill)
Next 2,000 gallons	2.88 per 1,000 gallons
Next 5,000 gallons	2.38 per 1,000 gallons
Next 10,000 gallons	2.03 per 1,000 gallons
Over 20,000 gallons	1.68 per 1,000 gallons

1 Inch Meter

First 5,000 gallons	\$16.75 (Minimum Bill)
Next 5,000 gallons	2.38 per 1,000 gallons
Next 10,000 gallons	2.03 per 1,000 gallons
Over 20,000 gallons	1.68 per 1,000 gallons

1 1/2 Inch Meter

First 10,000 gallons	\$28.65 (Minimum Bill)
Next 10,000 gallons	2.03 per 1,000 gallons
Over 20,000 gallons	1.68 per 1,000 gallons

2 Inch Meter

First 16,000 gallons	\$40.83 (Minimum Bill)
Next 4,000 gallons	2.03 per 1,000 gallons
Over 20,000 gallons	1.68 per 1,000 gallons