

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF )  
MONROE COUNTY WATER DISTRICT ) CASE NO. 91-431

O R D E R

On November 19, 1991, Monroe County Water District ("Monroe") submitted its revised tariff sheet 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 purchases and sales information submitted by Monroe with its tariff was for the 12 months ending June 30, 1991, which is outside the time period prescribed by 807 KAR 5:068. On December 4, 1991, Monroe filed water purchases and sales information for the correct time period. The record is now complete.

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

1. Monroe purchases water from the city of Tompkinsville ("Tompkinsville"). Effective January 5, 1992, Tompkinsville will increase its rate for wholesale water from \$1.03 to \$1.15 per 1,000 gallons.

2. Monroe proposes to increase the rates to its customers effective January 10, 1992. The average monthly bill will increase from \$21.61 to \$22.24, which is an increase of 2.92

percent. These monthly bills are derived from information contained in Monroe's 1990 annual report, which is incorporated by reference herein.

3. During the 12 months ending September 30, 1991, Monroe purchased 64,424,600 gallons of water and sold 53,866,528 gallons.

4. The difference in the volume of water purchased and sold as originally submitted and the corrected volume was significant and did change the purchased water adjustment factor of 15 cents per 1,000 gallons resulting from Monroe's initial calculations.

5. The correct increase in Monroe's cost of purchased water is \$7,731 resulting in a purchased water adjustment of 14 cents per 1,000 gallons as shown in Appendix B, attached hereto and incorporated herein.

6. The purchased water adjustment of 14 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.

IT IS THEREFORE ORDERED that:

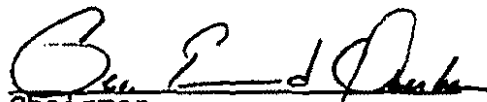
1. The rates proposed by Monroe are denied.

2. The purchased water adjustment of 14 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after January 10, 1992.

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

Done at Frankfort, Kentucky, this 2nd day of January, 1992.

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. 91-431 DATED 1/02/92

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

Usage Blocks

Monthly Rates

5/8 Inch x 3/4 Inch Meters

First 2,000 gallons  
Next 3,000 gallons  
Next 5,000 gallons  
Over 10,000 gallons

\$11.30 Minimum Bill  
4.35 per 1,000 gallons  
3.70 per 1,000 gallons  
3.00 per 1,000 gallons

1 Inch Meters

First 5,000 gallons  
Next 3,000 gallons  
Next 5,000 gallons  
Over 13,000 gallons

\$24.35 Minimum bill  
4.35 per 1,000 gallons  
3.70 per 1,000 gallons  
3.00 per 1,000 gallons

2 Inch Meters

First 16,000 gallons  
Next 3,000 gallons  
Next 5,000 gallons  
Over 24,000 gallons

\$60.60 Minimum bill  
4.35 per 1,000 gallons  
3.70 per 1,000 gallons  
3.00 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 91-431 DATED 1/02/92

PURCHASED WATER CALCULATIONS

Total Purchases: 64,424,600 gallons  
Total Sales: 53,866,528 gallons

Cost at Changed Rate:

64,424,600 gallons x \$1.15/1,000 gallons = \$74,088.29

LESS

Cost at Base Rate:

64,424,600 gallons x \$1.03/1,000 gallons = 66,357.34  
Total Increase in Purchased Costs \$ 7,730.95

\$7,730.95 + 53,866,528 gallons = \$.1435 or 14 cents/1,000 gallons