

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF SOUTH WOODFORD WATER DISTRICT))	CASE NO. 92-217
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O R D E R

On May 14, 1992, South Woodford Water District (South Woodford") filed an application 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. On June 4, 1992, the Commission requested that additional information be filed. The required information has been filed and the record is now complete.

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

1. South Woodford's supplier, the city of Versailles, ("Versailles") amended its ordinance Section 50.25 setting forth a declining block rate schedule under which South Woodford will be billed. Versailles' charge for purchased water will increase from \$1.09 per 1,000 gallons to approximately \$1.47 per 1,000 gallons effective July 1, 1992.

2. South Woodford proposed to increase the rates to its customers effective June 30, 1992. Since South Woodford cannot implement its increased rates prior to the time its water supplier's rate is increased, the rates to South Woodford's customers should be made effective for services rendered on and

after July 1, 1992. Based on average monthly usage of 5,000 gallons, the monthly bills for South Woodford's customers will increase by \$2.75 cents from \$20.30 to \$23.05, an increase of 13.5 percent.

3. During the 12 months ending April 30, 1992, South Woodford purchased 110,685,000 gallons of water and sold 76,834,500 gallons.

4. The increase in South Woodford's purchased water costs is \$42,060, resulting in a purchased water adjustment of 55 cents per 1,000 gallons.

5. The purchased water adjustment of 55 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.

6. South Woodford's proposed tariff is incorrect in that the effective date differs from that approved herein.

IT IS THEREFORE ORDERED that:

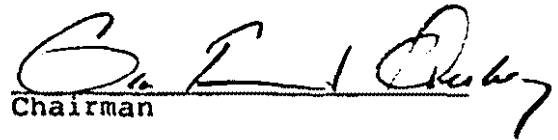
1. The purchased water adjustment of 55 cents per 1,000 gallons and the rates in Appendix A are hereby approved for services rendered on and after July 1, 1992.

2. South Woodford's proposed tariff is denied.

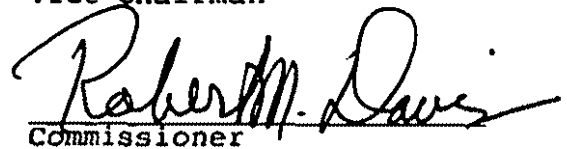
3. Within 30 days of the date of this Order, South Woodford shall file its revised tariff setting out the rates and effective date approved herein.

Done at Frankfort, Kentucky, this 18th day of June, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director, Acting

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-217 DATED 6/19/92

The following rates and charges are prescribed for the customers in the area served by South Woodford 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 and Charges

Rate For All Users

Monthly

First	2,000 gallons	\$12.40 Minimum Bill
Next	2,000 gallons	3.90 per 1,000 gallons
Next	6,000 gallons	2.85 per 1,000 gallons
Next	90,000 gallons	2.65 per 1,000 gallons
Over	100,000 gallons	2.40 per 1,000 gallons