

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INQUIRY OF ESTILL COUNTY WATER)	
DISTRICT NO. 1 REGARDING FURNISHING)	
WATER SERVICE TO COMMISSIONERS AND)	CASE NO. 92-251
AND EMPLOYEES OF THE DISTRICT AT A)	
REDUCED RATE)	

O R D E R

On May 22, 1992, Estill County Water District No. 1 ("Estill County") wrote a letter to the Commission requesting permission to furnish the commissioners and employees of Estill County water at a reduced rate. Estill County stated that the charge would be a flat rate regardless of the amount of water used.

After reviewing the evidence of record and being advised, the Commission finds that:

1. Employee concession service should not be allowed for public corporations such as water districts and water associations. Such publicly owned utilities have no shareholders to which the foregone revenues can be charged, which can only occur with investor-owned utilities.

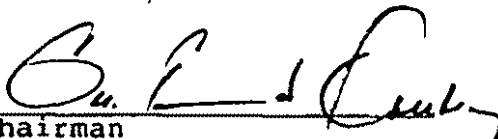
2. Estill County's request for approval for its commissioners and employees to receive water at a reduced rate should be denied.

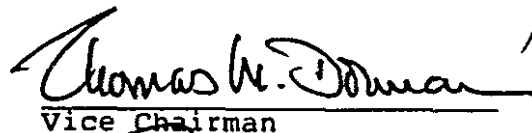
IT IS THEREFORE ORDERED that Estill County's request for approval to provide to its commissioners and employees water at a reduced rate be and it hereby is denied.

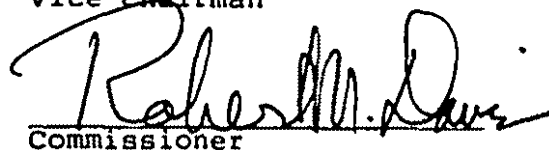
Done at Frankfort, Kentucky, this

19th day of June, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director , Acting