

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF WHITE)
HALL WATER DISTRICT) CASE NO. 92-262

O R D E R

On June 22, 1992, White Hall Water District ("White Hall") 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 otherwise sufficiently advised, finds that:

1. White Hall purchases water from the city of Richmond ("Richmond"). Effective July 1, 1992, Richmond will increase its rates from \$1.30 to \$1.50 per 100 cubic feet. Based on 670 cubic feet average monthly usage, the average monthly bill of White Hall's customers will increase from \$25.53 to \$27.01, an increase of 5.8 percent.

2. White Hall proposed to increase the rates to its customers effective July 1, 1992.

3. During the 12 months ending April 30, 1992, White Hall purchased 17,718,000 cubic feet of water and sold 15,761,276 cubic feet.

4. The calculations made by White Hall are incorrect due to a mathematical error in determining the cost of water at the new rate for January 1992. Further, White Hall divided the total increase in purchased water costs by the gallons purchased rather than the gallons sold in determining the purchased water adjustment amount.

5. The correct increase in purchased water costs is \$35,436, resulting in a purchased water adjustment of 22 cents per 100 cubic feet as shown in Appendix B.

6. The purchased water adjustment of 22 cents per 100 cubic feet 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 proposed tariff and rates are hereby denied.

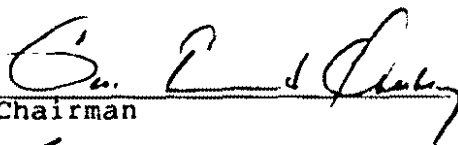
2. The purchased water adjustment of 22 cents per 100 cubic feet in Appendix B and the rates in Appendix A, attached hereto and incorporated herein, are approved for services rendered on and after July 1, 1992.

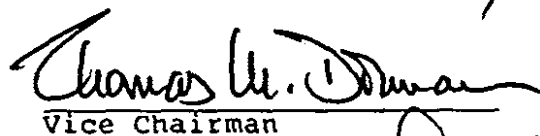
3. Within 30 days of the date of this Order, White Hall shall file its revised tariff setting out the rates approved herein.

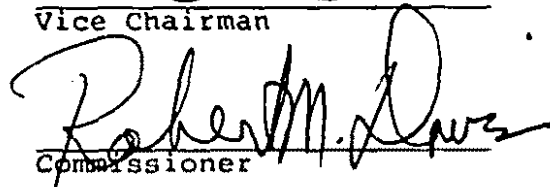
4. Within 20 days of the date of this Order, White Hall shall file verification that the notice to its customers has been given.

Done at Frankfort, Kentucky, this 2nd day of July, 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. 92-262 DATED JULY 2, 1992

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

<u>Usage Blocks</u>	<u>Monthly Rates</u>
First 280 cubic feet	\$11.21 Minimum Bill
Next 400 cubic feet	4.05 per 100 cubic feet
Next 500 cubic feet	3.23 per 100 cubic feet
Over 1,180 cubic feet	2.48 per 100 cubic feet

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-262 DATED JULY 2, 1992

PURCHASED WATER ADJUSTMENT CALCULATIONS

Water Purchased: 17,718,000 cubic feet

Water Sold: 15,761,276 cubic feet

Cost at Changed Rate:

17,718,000 cubic feet x \$1.50 per 100 cubic feet = \$265,770.00

LESS

Cost at Base Rate:

17,718,000 cubic feet x \$1.30 per 100 cubic feet = 230,334

Total increase in purchased cost: \$35,436

\$35,436 ÷ 15,7612.76 c.c.f. = \$.2248 or 22 cents/c.c.f.