

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
HARRISON COUNTY WATER ASSOCIATION) CASE NO. 92-281

O R D E R

On July 9, 1992, Harrison County Water Association, Inc. ("Harrison") filed its revised tariff for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068.

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

1. Harrison purchases water from the city of Cynthiana ("Cynthiana").

2. Cynthiana bills Harrison on a declining block rate schedule. Effective July 1, 1992, Cynthiana increased its rates for water sold to Harrison by approximately 17 cents per 1,000 gallons of water. Based on an average monthly usage of 5,000, the average monthly bill to Harrison's customers will increase by \$.95 from \$24.05 to \$25.00, which is an increase of 3.95 percent.

3. Harrison proposed to increase the rates to its customers effective August 1, 1992.

4. During the 12 months ending May 31, 1992, Harrison purchased 181,661,030 gallons of water and sold 162,096,631 gallons.

5. Harrison's calculations are incorrect due to minor mathematical errors. The correct increase in purchased water costs is \$31,258, resulting in a purchased water adjustment of 19 cents per 1,000 gallons of water. The difference in the increase in the cost of water found by Harrison and the increase found correct herein was not significant enough to change the resulting purchased water adjustment factor.

6. Harrison's bulk loading stations are coin-operated and register only with quarters. Therefore, the increase in the bulk loading rate should be 25 cents per 1,000 gallons with consideration being given to the additional increase in future purchased water adjustment cases in order to equalize the overall increase.

7. The purchased water adjustments of 25 cents per 1,000 gallons for bulk loading stations and 19 cents per 1,000 gallons for all other customers and the rates in Appendix A are fair, just and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

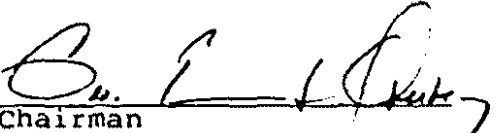
1. The purchased water adjustments of 25 cents and 19 cents per 1,000 gallons for bulk loading stations and other customers, respectively, and the rates in Appendix A, attached hereto and incorporated herein, are approved for services rendered on and after August 1, 1992.

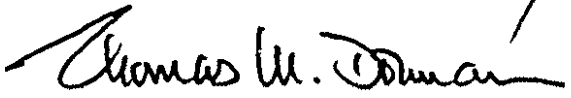
2. The tariff filed by Harrison is approved.

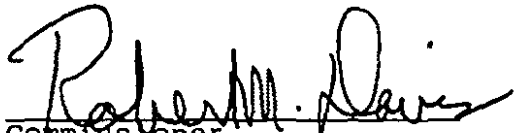
3. Within 20 days of the date of this Order, Harrison shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 23rd day of July, 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. 92-281 DATED July 23, 1992

The following rates and charges are prescribed for the customers in the area served by Harrison County Water Association. 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.

5/8-INCH X 3/4-INCH METER

<u>USAGE BLOCKS</u>	<u>MONTHLY RATES</u>
First 2,000 gallons	\$12.26 Minimum Bill
Next 1,000 gallons	4.58 per 1,000 gallons
Next 2,000 gallons	4.08 per 1,000 gallons
Next 45,000 gallons	3.43 per 1,000 gallons
Over 50,000 gallons	2.93 per 1,000 gallons

3/4-INCH METER

First 3,000 gallons	\$16.84 Minimum Bill
Next 2,000 gallons	4.08 per 1,000 gallons
Next 45,000 gallons	3.43 per 1,000 gallons
Over 50,000 gallons	2.93 per 1,000 gallons

1-INCH METER

First 5,000 gallons	\$25.00 Minimum Bill
Next 45,000 gallons	3.43 per 1,000 gallons
Over 50,000 gallons	2.93 per 1,000 gallons

1 1/2-INCH METER

First 10,000 gallons	\$42.15 Minimum Bill
Next 40,000 gallons	3.43 per 1,000 gallons
Over 50,000 gallons	2.93 per 1,000 gallons

2-INCH METER

First 15,000 gallons	\$59.03 Minimum Bill
Next 35,000 gallons	3.43 per 1,000 gallons
Over 50,000 gallons	2.93 per 1,000 gallons

Bulk Loading Stations	\$5.50 per 1,000 gallons
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