

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WEBSTER COUNTY WATER DISTRICT)	
FOR (1) A CERTIFICATE OF PUBLIC CONVENIENCE AND)	
NECESSITY AUTHORIZING CONSTRUCTION OF MAJOR)	
ADDITIONS AND IMPROVEMENTS TO ITS WATER DISTRI-)	CASE NO.
BUTION SYSTEM; (2) SEEKING APPROVAL OF REVISED)	92-314
WATER SERVICE RATES AND CHARGES; AND (3) SEEKING)	
APPROVAL OF THE ISSUANCE OF CERTAIN SECURITIES,)	
PURSUANT TO THE PROVISIONS OF KRS 278.020 AND)	
807 KAR 5:001)	

O R D E R

On July 30, 1992, Webster County Water District ("Webster County") submitted its application for Commission approval of its proposed construction, financing and increased water rates. The application was considered filed on August 28, 1992, when all deficiencies were cured. Webster County's proposed rates for water service would generate additional annual revenues of \$223,819, or an increase of 42.9 percent.

On October 5, 1992, the Commission issued an Interim Order in this proceeding granting approval of the proposed construction and financing.

Commission Staff conducted a limited financial review of Webster County's operations for the test period, calendar year 1991. Based upon this review, Commission Staff issued a report on November 6, 1992 recommending an increase in annual operating revenues of \$255,450.

By Order dated November 6, 1992, the Commission advised Webster County that comments on the Staff Report or a request for a public hearing must be submitted no later than November 20, 1992,

or this case would stand submitted to the Commission for decision. On November 17, 1992, Webster County filed comments and thereby accepted the findings and recommendations made in the Staff Report. Webster County further requested that a minimum bill amount be established for each of the different size meters used by its customers as was discussed in paragraph 76 of the Petition filed in this case. This request was not addressed in the Staff Report; however, after further review, the Commission has determined that the requested minimum bill amounts are reasonable and should be allowed. It is appropriate for the utility to recover customer charges and minimum usage in this manner.

The Commission, after consideration of the evidence of record and being otherwise sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and are hereby adopted as the findings of the Commission in this proceeding and incorporated by reference as if fully set out herein.

2. The rates in Appendix A, attached hereto and incorporated herein, are the fair, just, and reasonable rates for Webster County and will produce gross annual revenues of \$785,973. These rates will allow Webster County sufficient revenues to meet its operating expenses and service its debt.

3. The rates set forth in Appendix A should include the minimum bill amounts for each of the different size meters as proposed by Webster County.

4. The rates proposed by Webster County would produce revenues less than that found reasonable herein and should be denied.

IT IS THEREFORE ORDERED that:

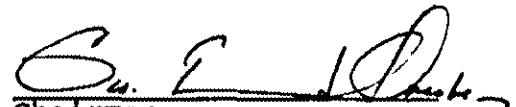
1. The rates proposed by Webster County in its application are denied.

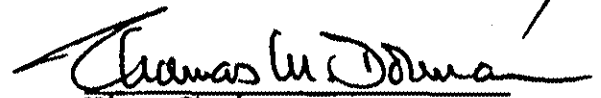
2. The rates in Appendix A are approved for service rendered by Webster County on and after the date of this Order.

3. Within 30 days of the date of this Order, Webster County shall file with the Commission its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 28th day of December, 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. 92-314 DATED December 28, 1992

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

5/8 x 3/4 Inch Connection

First 2,000 gallons	\$ 15.10 minimum bill
Next 4,000 gallons	6.75 per 1,000 gallons
Next 94,000 gallons	5.75 per 1,000 gallons
Over 100,000 gallons	3.05 per 1,000 gallons

1 Inch Connection

First 10,000 gallons	\$ 65.10 minimum bill
Next 90,000 gallons	5.75 per 1,000 gallons
Over 100,000 gallons	3.05 per 1,000 gallons

1-1/2 Inch Connection

First 15,000 gallons	\$ 93.85 minimum bill
Next 85,000 gallons	5.75 per 1,000 gallons
Over 100,000 gallons	3.05 per 1,000 gallons

2 Inch Connection

First 20,000 gallons	\$122.60 minimum bill
Next 80,000 gallons	5.75 per 1,000 gallons
Over 100,000 gallons	3.05 per 1,000 gallons

3 Inch Connection

First 30,000 gallons	\$180.10 minimum bill
Next 70,000 gallons	5.75 per 1,000 gallons
Over 100,000 gallons	3.05 per 1,000 gallons

4 Inch Connection

First 50,000 gallons	\$295.10 minimum bill
Next 50,000 gallons	5.75 per 1,000 gallons
Over 100,000 gallons	3.05 per 1,000 gallons

Wholesale	\$ 2.75 per 1,000 gallons
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