

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF RATES OF THE KINGSTON-)
TERRILL WATER DISTRICT OF MADISON COUNTY,) CASE NO. 92-215
KENTUCKY)

O R D E R

On June 17, 1992, Kingston-Terrill Water District ("Kingston-Terrill") filed its application for Commission approval of a proposed increase in its rates for water service. The proposed rates for water service would generate additional annual revenues of \$64,617.

On July 9 and 28, and August 11, 1992, Commission Staff conducted a field review of Kingston-Terrill's test period financial records. Based upon this review, Commission Staff issued its report on November 6, 1992, recommending Kingston-Terrill be allowed to increase its rates for water sales by \$11,280 annually.

By Order dated November 6, 1992, Kingston-Terrill was advised to file comments on the Staff Report or request a hearing no later than November 23, 1992, or the case would stand submitted to the Commission for decision. Kingston-Terrill, on November 19, 1992, requested an informal conference which was held at the Commission on December 14, 1992. At the meeting, after several areas of the case were discussed, Kingston-Terrill indicated that by January 8, 1993 it would file with the Commission a request for amendment to

the Staff Report issued on November 6, 1992. To date, no such filing has been received by the Commission.

The Commission, after consideration of the evidence of record and being 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 are incorporated by reference as if fully set out herein.

2. The rates in Appendix A, which are attached hereto and incorporated herein, are the fair, just, and reasonable rates for Kingston-Terrill and will produce gross annual revenues of \$644,224 for water sales. These rates will allow Kingston-Terrill sufficient revenues to meet its operating expenses and provide for future equity growth, including provisions for servicing its debts.

3. The rates proposed by Kingston-Terrill would produce an increase in revenue found unreasonable herein and should be denied upon application of KRS 278.030.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Kingston-Terrill in its application are hereby denied.

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

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

Done at Frankfort, Kentucky, this 12th day of February, 1993.

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. 92-215 DATED February 12, 1993

The following rates and charges are prescribed for the customers in the area served by Kingston-Terrill 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 200 Cubic Feet	\$9.25 Minimum Bill
Next 300 Cubic Feet	4.10 Per 100 Feet
Next 300 Cubic Feet	3.10 Per 100 Feet
Over 800 Cubic Feet	2.10 Per 100 Feet