COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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PURCHASED WATER ADJUSTMENT OF) PEAKS MILL WATER DISTRICT) CASE NO. 93-305

ORDER

On August 25, 1993, Peaks Mill Water District ("Peaks Mill") filed its application 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. Peaks Mill purchases water from the Frankfort Electric and Water Plant Board ("Frankfort").

2. Effective August 1, 1993, Frankfort increased its rate for wholesale water from \$.98 per 1,000 gallons to \$1.03 per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, monthly bills to Peaks Mill customers will increase from \$18.55 to \$18.85, an increase of 1.6 percent.

3. Peaks Mill proposed to increase the rates to its customers effective August 20, 1993.

4. During the 12 months ending June 10, 1993, Peaks Mill purchased 57,601,900 gallons of water and sold 46,977,300 gallons.

5. Peaks Mill's calculations are correct and show an increase in purchased water cost of \$2,880.10, resulting in a

purchased water adjustment of 6 cents per 1,000 gallons and the rates in Appendix A are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of 6 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are approved for services rendered on and after August 1, 1993.

2. Peaks Mill's proposed tariff is approved as filed.

3. Within 30 days of the date of this Order, Peaks Mill shall file verification that the notice to its customers has been given.

Done at Frankfort, Kentucky, this 14th day of September, 1993.

PUBLIC SERVICE COMMISSION

ATTEST:

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APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 93-305 DATED September 14, 1993

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

Residential

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Rates Per Month

First 2,000 gallons Next 1,000 gallons Next 2,000 gallons Next 5,000 gallons Over 10,000 gallons \$ 8.38 Minimum Bill 3.89 per 1,000 gallons 3.29 per 1,000 gallons 2.09 per 1,000 gallons 1.49 per 1,000 gallons

Commerical

Rates Per Month

First 113,000 gallons Over 113,000 gallons

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\$182.77 Minimum Bill 1.49 per 1,000 gallons