

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF FARMDALE)
WATER DISTRICT) CASE NO. 94-043

O R D E R

On February 2, 1994, Farmdale Water District ("Farmdale") 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. Farmdale purchases water from the Frankfort Electric and Water Plant Board ("Frankfort").

2. Pursuant to a notice of rate increase of \$0.044 cents by the Kentucky River Authority effective January 1, 1994, the Frankfort Plant Board increased its rate to Farmdale effective the same date.

3. Frankfort increased its rates for water sold from \$0.98 per 1,000 gallons to \$1.03 per 1,000 gallons. Farmdale proposes to increase the water rates to its customers also effective January 1, 1994.

4. On February 25, 1994, the Kentucky River Authority Board changed the effective date for its increase to April 1, 1994.

Therefore, the effective date of an increase of rates by Farmdale should be April 1, 1994.

5. During the 12 months ending November 30, 1993, Farmdale purchased 170,520,000 gallons of water and sold 165,399,400 gallons. The increase in the cost of purchased water is \$7,502.88 resulting in a purchased water adjustment of \$0.045 cents per 1,000 gallons of water; rounded to \$0.05 the increase in the cost of purchased water is \$8,526. Based on an average monthly usage of 5,000 gallons, the average bill of Farmdale's customers would increase \$0.25 from \$13.60 to \$13.85 or 2 percent.

6. The purchased water adjustment of \$0.05 per 1,000 gallons 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:

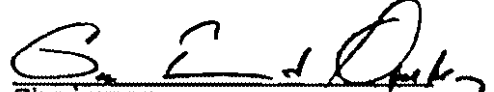
1. The purchased water adjustment of \$0.05 per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after April 1, 1994.

2. The tariffs proposed by Farmdale are hereby approved as filed.


3. Within 20 days of the effective date of the increase by Kentucky River Authority, Farmdale shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 2nd day of March, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 94-043 DATED MARCH 2, 1994

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

MONTHLY RATES

DOMESTIC CONSUMERS (OTHER THAN TRAILER COURTS)

5/8 x 3/4 Inch Meters

First 2,000 gallons	\$ 7.34 (Minimum Bill)
Next 3,000 gallons	2.17 per 1,000 gallons
Next 5,000 gallons	1.67 per 1,000 gallons
Over 10,000 gallons	1.47 per 1,000 gallons

1 Inch Meters

First 7,000 gallons	\$17.19 (Minimum Bill)
Next 3,000 gallons	1.67 per 1,000 gallons
Next 140,000 gallons	1.47 per 1,000 gallons
Over 150,000 gallons	1.22 per 1,000 gallons

COMMERCIAL CONSUMERS

(Stewart Home)

First 7,000 gallons	\$17.19 (Minimum Bill)
Next 3,000 gallons	1.67 per 1,000 gallons
Next 140,000 gallons	1.47 per 1,000 gallons
Over 150,000 gallons	1.22 per 1,000 gallons

(Trigometer, Inc.)

First 7,000 gallons	\$17.19 (Minimum Bill)
Next 3,000 gallons	1.67 per 1,000 gallons
Next 140,000 gallons	1.47 per 1,000 gallons
Over 150,000 gallons	1.22 per 1,000 gallons