

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
U.S. 60 WATER DISTRICT OF) CASE NO. 94-069
SHELBY AND FRANKLIN COUNTIES)

O R D E R

On February 15, 1994, U.S. 60 Water District of Shelby and Franklin Counties ("U.S. 60") 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. U.S. 60 purchases water from the Frankfort Electric and Water Plant Board ("Frankfort").
2. Pursuant to a notice of rate increase of \$0.044 by the Kentucky River Authority effective January 1, 1994, Frankfort increased its rate to U.S. 60 effective the same date.
3. Frankfort increased its rates for water sold from \$1.03 per 1,000 gallons to \$1.08 per 1,000 gallons. U.S. 60 proposes to increase the water rates to its customers effective March 4, 1994.
4. On February 25, 1994, the Kentucky River Authority changed the effective date for its increase to April 1, 1994. Therefore, the effective date of an increase of rates by U.S. 60 should be April 1, 1994.

5. During the 12 months ending December 31, 1993, U.S. 60 purchased 86,418,100 gallons of water and sold 67,618,600 gallons. The increase in the cost of purchased water is \$4,320.90, resulting in a purchased water adjustment of \$0.06 per 1,000 gallons of water. Based on an average monthly usage of 5,000 gallons, the average bill of U.S. 60's customers would increase \$0.30 from \$25.55 to \$25.85 or 1.0 percent.

6. The rates proposed by U.S. 60 are incorrect and should be denied.

7. The purchased water adjustment of \$0.06 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 rates proposed by U.S. 60 are hereby denied.


2. The purchased water adjustment of \$0.06 per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after April 1, 1994.

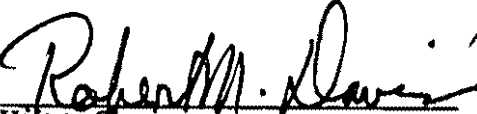
3. Within 30 days of the date of this Order, U.S. 60 shall file revised tariff sheets setting out the rates approved herein.

4. Within 20 days of the effective date of the increase by the Kentucky River Authority, U.S. 60 shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 17th 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. 94-069 DATED MARCH 17, 1994

The following rates and charges are prescribed for the customers in the area served by U.S. 60 Water District of Shelby and Franklin Counties. 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:

5/8 x 3/4 Inch Meter

First 1,000 gallons	\$ 9.43 (Minimum Bill)
Next 2,000 gallons	4.60 per 1,000 gallons
Next 2,000 gallons	3.61 per 1,000 gallons
Over 5,000 gallons	3.13 per 1,000 gallons