

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
SOUTHERN MADISON WATER DISTRICT) CASE NO. 94-150
)

O R D E R

On April 13, 1994, Southern Madison Water District ("Southern Madison") 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. Southern Madison purchases water from Berea College Water Utility ("Berea").

2. Southern Madison proposed to increase the rates to its customers effective April 1, 1994.

3. Effective April 20, 1994, Berea will increase its rate for wholesale water from \$1.95 per 1,000 gallons to \$1.978 per 1,000 gallons. Therefore, the effective date of an increase of rates by Southern Madison should be April 20, 1994.

4. During the 12 months ending December 31, 1993, Southern Madison purchased 173,030,500 gallons of water and sold 147,275,200 gallons.

5. Southern Madison's calculations are correct and show an increase in the purchased water cost of \$4,844.85, resulting in a purchased water adjustment of 3.3 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, monthly bills to Southern Madison customers will increase 17 cents from \$27.31 to \$27.48, an increase of 0.62 percent.

6. The purchased water adjustment of 3.3 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:

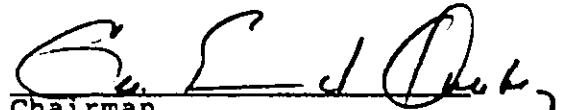
1. The purchased water adjustment of 3.3 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are approved for services rendered on and after April 20, 1994.

2. Within 30 days of the date of this Order, Southern Madison shall file its revised tariffs setting out the rates approved herein.

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

Done at Frankfort, Kentucky, this 11th day of May, 1994.

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. 94-150 DATED MAY 11, 1994

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

Gallonage Block

Rates

First 2,000 gallons	\$11.426 Minimum Bill
Next 1,000 gallons	5.623 per 1,000 gallons
Next 3,000 gallons	5.213 per 1,000 gallons
Next 4,000 gallons	4.753 per 1,000 gallons
Next 15,000 gallons	3.873 per 1,000 gallons
Next 25,000 gallons	3.573 per 1,000 gallons
Over 50,000 gallons	3.023 per 1,000 gallons