

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF WACO WATER DISTRICT) CASE NO. 94-154

O R D E R

On April 15, 1994, Waco Water District ("Waco") filed an application to adjust 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. Waco purchases water from Richmond Water Utilities ("Richmond").

2. Effective April 1, 1994, Richmond increased its rates for wholesale water from \$1.50 per 100 cubic feet to \$1.54 per 100 cubic feet.

3. Waco proposed to increase the rates to its customers effective April 1, 1994.

4. During the 12 months ending January 1994, Waco purchased 22,739,600 cubic feet of water and sold 19,620,270 cubic feet. The increase in the cost of purchased water is \$9,096, resulting in a purchased water adjustment after roundings of 5 cents per 100 cubic feet of water.

Based on an average monthly usage of 670 cubic feet, the average bill of Waco's customers would increase 33 cents from \$20.63 to \$20.96 or 1.6 percent.

5. The rates proposed by Waco for the first, third, and fifth block are incorrect due to rounding errors and should be denied.

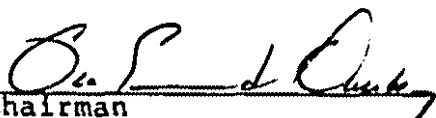
6. The purchased water adjustment of 5 cents per 100 cubic feet and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Waco are hereby denied.
2. The purchased water adjustment of 5 cents per 100 cubic feet 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, Waco shall file revised tariff sheets setting out the rates approved herein.
4. Within 20 days of the date of this Order, Waco shall file a copy of the notice to its customers of this rate increase and verification that such notice has been given.

Done at Frankfort, Kentucky, this 13th day of May, 1994.

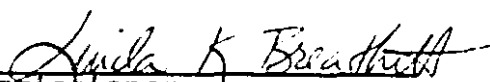
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 94-154 DATED May 13, 1994

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

Rate Per Unit

First	175 Cubic Feet	\$ 6.98	Minimum Bill
Next	225 Cubic Feet	3.07	Per 100 Cubic Feet
Next	300 Cubic Feet	2.62	Per 100 Cubic Feet
Next	500 Cubic Feet	2.32	Per 100 Cubic Feet
Next	1,000 Cubic Feet	2.12	Per 100 Cubic Feet
Over	2,200 Cubic Feet	1.87	Per 100 Cubic Feet