

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
NORTH MCLEAN COUNTY WATER DISTRICT) CASE NO. 94-255

O R D E R

On July 1, 1994, North McLean County Water District ("North McLean") 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. North McLean purchases water from three suppliers, the city of Calhoun ("Calhoun"), the city of Livermore ("Livermore") and the West Daviess County Water District ("West Daviess").

2. Effective with the May 1994 water billing, Calhoun increased its rates for wholesale water from \$1.42 per 1,000 gallons to \$1.63 per 1,000 gallons. Effective July 1, 1994, Livermore increased its rates for wholesale water from \$1.71 to \$1.80 per 1,000 gallons. West Daviess has not increased its rates at this time.

3. North McLean proposed to increase the rates to its customers effective July 1, 1994.

4. During the 12 months ending May 31, 1994, North McLean purchased 4,079,900 gallons of water from Calhoun, 31,524,400

gallons from Livermore, and 51,749,500 gallons from West Daviess. During that same period, North McLean sold 70,421,400 gallons of water.

5. North McLean's calculations are correct and show an increase in purchased water cost of \$3,693.98, resulting in a purchased water adjustment of 5 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, the average bill of North McLean's customers would increase 25 cents from \$21.15 to \$21.40 or 1.0 percent.

6. The purchased water adjustment of 5 cents 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:

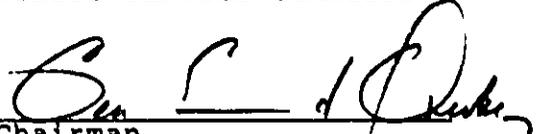
1. The purchased water adjustment of 5 cents per 1,000 gallons and the rates in Appendix A are hereby approved for services rendered on and after July 1, 1994.

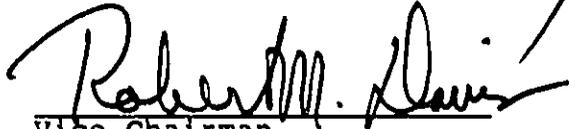
2. North McLean's proposed tariff is approved.

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

Done at Frankfort, Kentucky, this 21st day of July, 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. 94-255 DATED JULY 21, 1994.

The following rates and charges are prescribed for the customers in the area served by North McLean 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:

First	2,000 gallons	\$10.62 Minimum Bill
Next	2,000 gallons	3.76 per 1,000 gallons
Next	2,000 gallons	3.26 per 1,000 gallons
Next	4,000 gallons	2.96 per 1,000 gallons
Next	30,000 gallons	2.66 per 1,000 gallons
Next	60,000 gallons	2.46 per 1,000 gallons
Over	100,000 gallons	2.26 per 1,000 gallons