

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)	
PEAKS MILL WATER DISTRICT)	CASE NO. 95-433

O R D E R

On September 29, 1995, Peaks Mill Water District ("Peaks Mill") 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. Peaks Mill purchased all its water from the city of Frankfort ("Frankfort").

2. Effective January 1, 1994, Frankfort increased its rates for wholesale water by 5 cents per 1,000 gallons.

3. During the 12 months ending March 31, 1994, Peaks Mill purchased 64,378,100 gallons of water and sold 51,601,200 gallons.

4. Peaks Mill's calculations are correct and show an increase in purchased water cost of \$3,219, resulting in a purchased water adjustment of 6 cents per 1,000 gallons as shown in Appendix B. Based on an average monthly usage of 5,000 gallons, the bill of Peaks Mill's customers would increase 30 cents from \$18.85 to \$19.15 or 1.6 percent.

5. The purchased water adjustment of 6 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 6 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after the date of this Order.

2. Within 30 days of the date of this Order, Peaks Mill shall file its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 18th day of October, 1995.

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. 95-433 DATED OCTOBER 18, 1995

The following rates and charges are prescribed for the customers in the area served by Peaks Mill 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 Residential Rates:

First	2,000 gallons	\$ 8.50 Minimum Bill
Next	1,000 gallons	3.95 per 1,000 gallons
Next	2,000 gallons	3.35 per 1,000 gallons
Next	5,000 gallons	2.15 per 1,000 gallons
Over	10,000 gallons	1.55 per 1,000 gallons

Monthly Commercial Rates:

First	113,000 gallons	\$189.55 Minimum Bill
Over	113,000 gallons	1.55 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 95-433 DATED OCTOBER 18, 1995

PURCHASED WATER ADJUSTMENT CALCULATIONS

Water Purchased:	64,378,100 gallons
Water Sold:	51,601,200 gallons

Cost at Changed Rate:

64,378.1 gallons x \$1.08	= \$69,528
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LESS

Cost at Base Rate:

64,378.1 gallons x \$1.03	= \$66,309
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Increase in Cost:	\$ 3,219
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\$3,219 ÷ 51,601.2 gallons sold	= \$0.0623 or 6 cents per 1,000 gallons
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