COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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PURCHASED WATER ADJUSTMENT OF) PEAKS MILL WATER DISTRICT) CASE NO. 95-474

ORDER

On October 24, 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 purchases water from the Frankfort Electric and Water Plant Board ("Frankfort").

2. Effective October 27, 1995, Frankfort increased its rates for wholesale water from \$1.08 per 1,000 gallons to \$1.13 per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, monthly bills to Peaks Mill's customers will increase from \$19.15 to \$19.45, an increase of 1.6 percent.

3. Peaks Mill proposed to increase the rates to its customers effective October 31, 1995.

4. During the 12 months ending August 31, 1995, Peaks Mill purchased 62,715,200 gallons of water and sold 49,723,000 gallons.

5. Peaks Mill's calculations are correct and show an increase in purchased water cost of \$3,135.76, resulting in a purchased water adjustment of 6 cents per 1,000 gallons.

6. 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. Peaks Mill's proposed tariff is approved.

Done at Frankfort, Kentucky, this 20th day of November, 1995.

PUBLIC SERVICE COMMISSION

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Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 95-474 DATED NOVEMBER 20, 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
Next		gallons
Next	2,000	gallons
Next	5,000	gallons
Over	10,000	gallons

Monthly Commercial Rates:

First 113,000 gallons Over 113,000 gallons

- \$ 8.62 Minimum Bill 4.01 per 1,000 gallons 3.41 per 1,000 gallons 2.21 per 1,000 gallons 1.61 per 1,000 gallons
- \$196.33 Minimum Bill 1.61 per 1,000 gallons