

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF SOUTHERN MASON COUNTY) CASE NO. 96-053
WATER DISTRICT)

O R D E R

On March 13, 1996, Southern Mason County Water District ("Southern Mason") 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 Mason purchases water from two suppliers, the Western Fleming Water District ("Western Fleming") and the Maysville Utility Commission ("Maysville").

2. Effective November 17, 1995, Maysville increased its rates for wholesale water from \$1.155 per 1,000 gallons to \$1.352 per 1,000 gallons.

3. During the 12 months ending December 31, 1995, Southern Mason purchased 8,057,800 gallons of water from Western Fleming and 53,606,000 gallons from Maysville and sold 42,305,000 gallons.

4. Southern Mason's calculations are correct and show an increase in purchased water cost of \$10,560.38, resulting in a

purchased water adjustment of 25 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, monthly bills to Southern Mason's customers would increase \$1.25, from \$25.12 to \$26.37 or 4.9 percent.

5. The purchased water adjustment of 25 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:

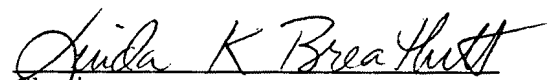
1. The purchased water adjustment of 25 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after February 1, 1996.


2. Southern Mason's proposed tariff is approved.

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

Done at Frankfort, Kentucky, this 9th day of April, 1996.

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. 96-053 DATED APRIL 9, 1996

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

DOMESTIC AND COMMERCIAL RATES

First	1,000 gallons	\$11.65 Minimum Bill
Next	4,000 gallons	3.68 per 1,000 gallons
Next	5,000 gallons	3.36 per 1,000 gallons
All Over	10,000 gallons	3.15 per 1,000 gallons

FIELD CONNECTION RATES

First	1,000 gallons	\$ 6.35 Minimum Bill
Next	4,000 gallons	3.68 per 1,000 gallons
Next	5,000 gallons	3.36 per 1,000 gallons
All Over	10,000 gallons	3.15 per 1,000 gallons

MISCELLANEOUS RATES

Truck Loading Rate	\$ 1.50 per 1,000 gallons
Leak Adjustment Rate*	1.50 per 1,000 gallons

*Adjustment based on metered water usage, less average monthly usage, at Leak Adjustment Rate per one thousand gallons, after leak has been repaired. Only two leak adjustments per customer, allowed each twelve months.

MISCELLANEOUS FEES

- 10% Penalty for late payment
- \$25 Fee for reconnect after disconnect for nonpayment of bill
- \$ 5 Fee for returned check
- \$15 Fee for temporary or voluntary disconnect or reconnect