COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF LARUE COUNTY WATER DISTRICT FOR AN INCREASE OF A CONNECTION FEE FOR WATER SERVICE

CASE NO. 97-059

<u>ORDER</u>

On February 11, 1997, Larue County Water District ("Larue") applied to the Public Service Commission ("Commission") for authority to increase its tap fee charge for a 5/8" x 3/4" meter from \$400 to \$625. By letter dated February 26, 1997, Larue was notified of deficiencies in its original filing. On March 31, 1997 Larue filed additional information which corrected the filing deficiencies.

Larue provided adequate cost justification for the non-recurring charge proposed in the application. A substantial increase in the costs of materials and labor were cited in the application as the basis for the increases.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. The proposed charges are equal to the expenses incurred to provide the associated services.

2. The charges set forth in Appendix A of this Order, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The charges in Appendix A, which is attached hereto and incorporated herein, are approved for services rendered on and after the date of this Order.

2. Within 30 days of the date of this Order, Larue shall file its revised tariff sheets setting out the charges approved herein.

Done at Frankfort, Kentucky, this 25th day of April, 1997.

PUBLIC SERVICE COMMISSION

K Breathirth

Vice Chairman

Helton

Commissione

ATTEST:

Mills

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 97-059 DATED APRIL 25, 1997

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

Connection Fee:

5/8" x 3/4" Meter

\$625.00