

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WEST CARROLL)	
WATER DISTRICT FOR A RATE ADJUSTMENT)	CASE NO. 97-225
PURSUANT TO THE ALTERNATIVE RATE)	
FILING PROCEDURE FOR SMALL UTILITIES)	

O R D E R

On May 15, 1997, West Carroll Water District ("West Carroll") filed its application for Commission approval of a proposed increase in its rates for water service. The proposed rates for water service would generate additional annual revenues of \$74,124, an increase of approximately 31 percent above normalized test-year revenues from water sales.

Commission Staff conducted a field review of West Carroll's test-period financial records. Based upon this review, Commission Staff issued its report on August 21, 1997, in which it recommended acceptance of the proposed rates.

On August 21, 1997, the Commission advised West Carroll to file comments on the Staff Report or request a hearing no later than September 2, 1997 or the case would stand submitted for decision. As of this date, West Carroll has neither commented upon the Staff Report nor requested a hearing in this matter.

The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and are hereby adopted as the

findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rates appended hereto are the fair, just, and reasonable rates for West Carroll and will produce gross annual revenues of \$315,237 from water sales. These rates will allow West Carroll sufficient revenues to meet its operating expenses, and provide for future equity growth, including provisions for servicing its debt.

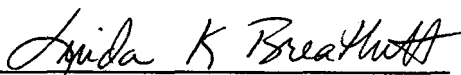
IT IS THEREFORE ORDERED that:

1. The rates proposed by West Carroll and appended hereto are approved for service rendered by West Carroll on and after the date of this Order.

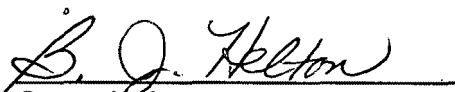
2. Within 20 days of the date of this Order, West Carroll shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 15th day of September, 1997.

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. 97-225 DATED 9/15/97

The following rates and charges are prescribed for the customers in the area served by West Carroll 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	\$17.00 (minimum bill)
Next	3,000 gallons	6.50 per 1,000 gallons
Next	5,000 gallons	5.70 per 1,000 gallons
Next	10,000 gallons	4.80 per 1,000 gallons
Next	20,000 gallons	4.00 per 1,000 gallons
Over	40,000 gallons	3.60 per 1,000 gallons