

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
CANNONSBURG WATER DISTRICT) CASE NO. 98-135

O R D E R

On March 18, 1998, Cannonsburg Water District ("Cannonsburg") filed its application with the 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. Cannonsburg purchases water from the City of Ashland ("Ashland").
2. Effective April 6, 1998, Ashland will increase its rates for wholesale water from \$1.05 per 1,000 gallons to \$1.20 per 1,000 gallons.
3. Cannonsburg proposed to increase the rates to its customers effective May 4, 1998.
4. During the 12 months ending December 31, 1997, Cannonsburg purchased 377,387,000 gallons of water and sold 296,678,500 gallons.
5. Cannonsburg's calculations are correct and show an increase in purchased water cost of \$56,608.05, resulting in a purchased water adjustment of \$0.19 per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, the average bill of Cannonsburg's customers would increase \$0.95 from \$24.25 to \$25.20 or 3.9 percent.

6. The purchased water adjustment of \$0.19 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:

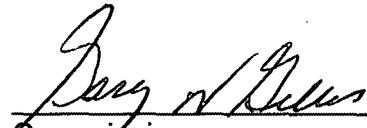
1. The purchased water adjustment of \$0.19 per 1,000 gallons and the rates in Appendix A are hereby approved for services rendered on and after May 4, 1998.
2. Cannonsburg's proposed tariff is approved.
3. Within 30 days of the date of this Order, Cannonsburg shall file verification that the notice to its customers has been given.

Done at Frankfort, Kentucky, this 1st day of April, 1998.

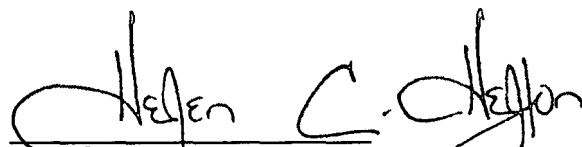
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 98-135 DATED APRIL 1, 1998

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

5/8" Connection

First	2,000	gallons	\$ 14.31 Minimum bill
Next	3,000	gallons	3.63 per 1,000 gallons
Next	15,000	gallons	3.05 per 1,000 gallons
Next	30,000	gallons	2.69 per 1,000 gallons
Next	50,000	gallons	2.54 per 1,000 gallons
Over	100,000	gallons	2.40 per 1,000 gallons

1" and 1-1/2" Connections

First	5,000	gallons	\$ 25.20 Minimum bill
Next	15,000	gallons	3.05 per 1,000 gallons
Next	30,000	gallons	2.69 per 1,000 gallons
Next	50,000	gallons	2.54 per 1,000 gallons
Over	100,000	gallons	2.40 per 1,000 gallons

2" and 3" Connections

First	20,000	gallons	\$ 70.99 Minimum bill
Next	30,000	gallons	2.69 per 1,000 gallons
Next	50,000	gallons	2.54 per 1,000 gallons
Over	100,000	gallons	2.40 per 1,000 gallons

6" Connections

First	50,000	gallons	\$ 151.66 Minimum bill
Next	50,000	gallons	2.54 per 1,000 gallons
Over	100,000	gallons	2.40 per 1,000 gallons

12" Connections

First	100,000	gallons	\$278.84 Minimum bill
Over	100,000	gallons	2.40 per 1,000 gallons