

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
MURRAY NO. 1 WATER DISTRICT)

CASE NO. 98-374

O R D E R

On July 10, 1998, Murray No. 1 Water District ("Murray No. 1") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Murray No. 1 purchases its water from the Murray Water and Sewer System ("Murray").
2. Murray increased the wholesale water rate charged to Murray No. 1 from \$1.25 per 1,000 gallons to \$1.45 per 1,000 gallons purchased effective July 1, 1998.
3. During the 12 months ending May 1998, Murray No. 1 purchased 39,455,500 gallons of water and sold 34,920,900 gallons.
4. The increase in the cost of purchased water is \$7,891.10, resulting in a purchased water adjustment of 23 cents per 1,000 gallons of water. Based on a monthly usage of 5,000 gallons, the average bill of a Murray No. 1 customer would increase \$1.15, from \$16.75 to \$17.90, or 6.9 percent.

5. The calculations and proposed tariff provided by Murray No. 1 are correct and should be approved.

6. The purchased water adjustment of 23 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:

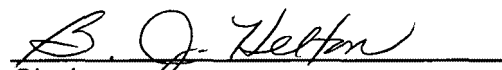
1. The purchased water adjustment of 23 cents per 1,000 gallons and the rates in Appendix A are approved for service rendered on and after September 1, 1998.

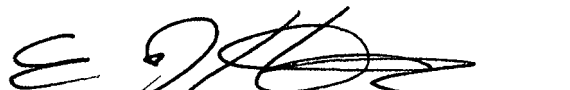
2. The tariff submitted by Murray No. 1 is hereby approved as filed.

3. Within 20 days from the effective date of this Order, Murray No. 1 shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 6th day of August, 1998.


PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioners

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 98-374 DATED AUGUST 6, 1998

The following rates and charges are prescribed for the customers in the area served by Murray No. 1 Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

MONTHLY RATES

5/8 Inch Meter

First	2,000 Gallons	\$8.57	Minimum Bill
Next	3,000 Gallons	3.11	Per 1,000 Gallons
Next	5,000 Gallons	2.61	Per 1,000 Gallons
Next	10,000 Gallons	2.26	Per 1,000 Gallons
Over	20,000 Gallons	1.91	Per 1,000 Gallons

3/4 Inch Meter

First	3,000 Gallons	\$11.68	Minimum Bill
Next	2,000 Gallons	3.11	Per 1,000 Gallons
Next	5,000 Gallons	2.61	Per 1,000 Gallons
Next	10,000 Gallons	2.26	Per 1,000 Gallons
Over	20,000 Gallons	1.91	Per 1,000 Gallons

1 Inch Meter

First	5,000 Gallons	\$17.90	Minimum Bill
Next	5,000 Gallons	2.61	Per 1,000 Gallons
Next	10,000 Gallons	2.26	Per 1,000 Gallons
Over	20,000 Gallons	1.91	Per 1,000 Gallons

1 1/2 Inch Meter

First	10,000 Gallons	\$30.95	Minimum Bill
Next	10,000 Gallons	2.26	Per 1,000 Gallons
Over	20,000 Gallons	1.91	Per 1,000 Gallons

2 Inch Meter

First	16,000 Gallons	\$44.51	Minimum Bill
Next	4,000 Gallons	2.26	Per 1,000 Gallons
Over	20,000 Gallons	1.91	Per 1,000 Gallons