

In the Matter of:

4. The increase in the cost of purchased water is \$11,211.16, resulting in a purchased water adjustment of 7 cents per 1,000 gallons of water. Based on a monthly usage of 5,000 gallons, the average bill of a Muhlenberg customer would increase \$0.35, from \$22.96 to \$23.31 or 1.5 percent.

5. The calculations and proposed tariff provided by Muhlenberg are correct and should be approved.

6. The purchased water adjustment of 7 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:

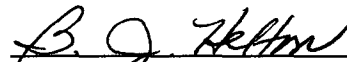
1. The purchased water adjustment of 7 cents per 1,000 gallons and the rates in Appendix A are approved for service rendered on and after September 9, 1998.

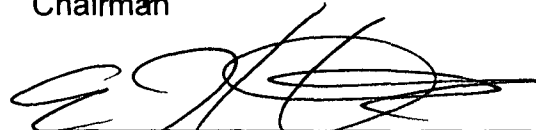
2. The tariff submitted by Muhlenberg is hereby approved as filed.

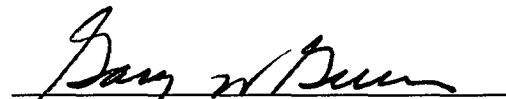
3. Within 20 days from the effective date of this Order, Muhlenberg shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 21st day of August, 1998.

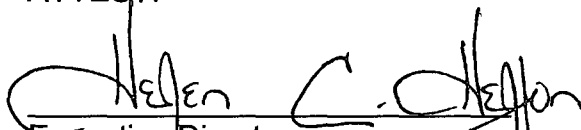
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 98-391 DATED AUGUST 21, 1998

The following rates and charges are prescribed for the customers in the area served by Muhlenberg County Water District No. 3. 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

Residential/Commercial

First	2,000 Gallons	\$11.43	Minimum Bill
Next	8,000 Gallons	3.96	Per 1,000 Gallons
Next	10,000 Gallons	3.36	Per 1,000 Gallons
Next	30,000 Gallons	2.66	Per 1,000 Gallons
Over	50,000 Gallons	2.11	Per 1,000 Gallons

Resale/City of Sacramento

All	\$ 2.11	Per 1,000 Gallons
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