COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF )
MUHLENBERG COUNTY WATER DISTRICT NO. 3 ) CASE NO. 98-391

## ORDER

On July 23, 1998, Muhlenberg County Water District No. 3 ("Muhlenberg") 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. Muhlenberg purchases its water from the Central City Municipal Water and Sewer System ("Central City").
- 2. Central City increased the wholesale water rate charged to Muhlenberg from \$1.20175 per 1,000 gallons to \$1.2558 per 1,000 gallons purchased effective September 9, 1998.
- 3. During the 12 months ending June 1998, Muhlenberg purchased 207,422,000 gallons of water and sold 177,431,800 gallons.
- 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:

Exacutive 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