COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)OF EAST LOGAN WATER DISTRICT)CASE NO. 2001-280

<u>order</u>

On September 4, 2001, East Logan Water District ("East Logan") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068.

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

1. East Logan purchases water from the city of Russellville ("Russellville").

2. Russellville currently bills East Logan based on a declining block rate schedule. Russellville has revised its wholesale water rate to East Logan to a flat wholesale rate of \$2.45 per gallon. East Logan proposes to increase the water rates to its customers effective with the date of this Order.

3. During the 12 months ending June 30, 2001, East Logan purchased 162,608,000 gallons of water and sold 141,426,000 gallons. The increase in the cost of purchased water is \$145,330.76, resulting in a purchased water adjustment of \$1.03 per 1000 gallons. Based on an average monthly usage of 5,000 gallons, the average bill of East Logan's customers would rise \$0.95 from \$37.31 to \$38.26 or 2.5 percent.

4. The purchased water adjustment of \$1.03 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$1.03 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after the date of this order.

2. Within 20 days of the date of this Order, East Logan shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 25th day of September, 2001.

By the Commission

ATTEST:

Executive Directo

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2001-280 DATED 9/25/2001

The following rates and charges are prescribed for the customers in the area served by East Logan 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 Water Rates

5/8 x 3/4 Inch Meter

First	2,000	gallons
Next	2,000	gallons
Next	2,000	gallons
Next	4,000	gallons
All Over	10,000	gallons

1 Inch Meter

First	4,000	gallons
Next	2,000	gallons
Next	4,000	gallons
All Over	10,000	gallons

1 1/2 Inch Meter

First	6,000	gallons
Next	4,000	gallons
All Over	10,000	gallons

2 Inch Meter

First	10,000	gallons
All Over	10,000	gallons

\$ 17.74	Minimum bill
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- 8.37 per 1,000 gallons
- 7.98 per 1,000 gallons
- 6.87 per 1,000 gallons 4.69 per 1,000 gallons
- \$ 34.47 Minimum bill
- 7.98 per 1,000 gallons
 - 6.87 per 1,000 gallons
 - 4.69 per 1,000 gallons
- \$ 50.43 Minimum bill
 - 6.87 per 1,000 gallons
 - 4.69 per 1,000 gallons
- \$ 77.90 Minimum bill 4.69 per 1,000 gallons