

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
OF AUXIER WATER COMPANY)	2003-00155

O R D E R

On May 7, 2003, Auxier Water Company ("Auxier") 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. Auxier purchases water from Prestonsburg City's Utilities Commission ("Prestonsburg").
2. Prestonsburg notified Auxier that effective with its May 1, 2003 billing its wholesale water rates would increase by 10 percent over their current rates. Auxier proposes to increase the water rates to its customers effective May 1, 2003.
3. During the 12 months ending February 28, 2003, Auxier purchased 78,099,000 gallons of water and sold 70,198,000 gallons. The increase in the cost of purchased water is \$17,605.83, resulting in a purchased water adjustment of \$0.25 per 1,000 gallons.
4. The purchased water adjustment of \$0.25 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The proposed rates by Auxier are accepted.

2. The purchased water adjustment of \$0.25 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 May 1, 2003.

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

Done at Frankfort, Kentucky, this 5th day of June, 2003.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00155 DATED June 5, 2003

The following rates and charges are prescribed for the customers in the area served by Auxier Water Company. 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.

First 1,000 Gallons	\$12.09 Minimum Bill
Next 1,000 Gallons	7.24 per 1,000 gallons
Next 6,000 Gallons	6.39 per 1,000 gallons
Next 6,000 Gallons	5.39 per 1,000 gallons
Over 14,000 Gallons	4.49 per 1,000 gallons

Regency Park Apartments

Meter No.'s 1 and 2

First 14,000 Gallons	\$12.09 per 1,000 gallons
Over 14,000 Gallons	4.49 per 1,000 gallons

Meter No. 3

First 13,000 Gallons	\$12.09 Minimum Bill
Over 13,000 Gallons	4.49 per 1,000 gallons