

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
NORTHEAST WOODFORD WATER DISTRICT) CASE NO. 92-209

O R D E R

On May 14, 1992, Northeast Woodford Water District (Northeast Woodford") filed an application with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068. On May 28, 1992, the Commission requested that additional information be filed. The required information was filed on June 4, and the record is now complete.

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

1. Northeast Woodford's supplier, the city of Versailles, ("Versailles") amended its Ordinance Section 50.25 setting forth a declining block rate schedule under which Northeast Woodford will be billed. Versailles' charge for purchased water will increase from \$1.09 per 1,000 gallons to approximately \$1.47 per 1,000 gallons effective July 1, 1992, 1992.

2. Northeast Woodford proposed to increase the rates to its customers effective June 30, 1992. Since Northeast Woodford cannot implement its increased rates prior to the time its water supplier's rate is increased, the rates to Northeast Woodford's

customers should be made effective for services rendered on and after July 1, 1992. Based on average monthly usage of 5,000 gallons, the monthly bills for Northeast Woodford's customers will increase by \$2.05 cents from \$13.00 to \$15.05, an increase of 15.7 percent.

3. During the 12 months ending April 30, 1992, Northeast Woodford purchased 86,910,000 gallons of water and sold 79,973,000 gallons.

4. The increase in Northeast Woodford's purchased water costs is \$33,023 resulting in a purchased water adjustment of 41 cents per 1,000 gallons.

5. The purchased water adjustment of 41 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.

6. Northeast Woodford's proposed tariff is incorrect in that it bears an effective date which differs from that approved herein.

IT IS THEREFORE ORDERED that:

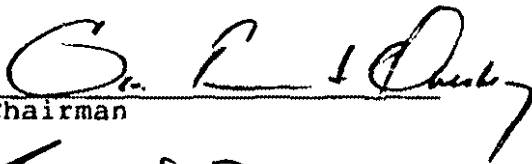
1. The purchased water adjustment of 41 cents per 1,000 gallons and the rates in Appendix A are hereby approved for services rendered on and after July 1, 1992.

2. Northeast Woodford's proposed tariff is denied.

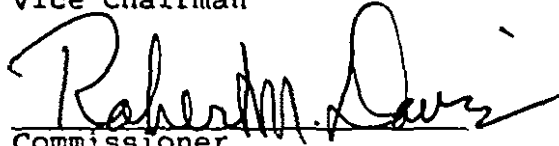
3. Within 30 days of the date of this Order, Northeast Woodford shall file its revised tariff sheets setting out the rates and effective date approved herein.

Done at Frankfort, Kentucky, this 19th day of June, 1992.

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. 92-209 DATED June 19, 1992.

The following rates and charges are prescribed for the customers in the area served by Northeast Woodford Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Rates and Charges

5/8 x 3/4 Inch and 1 Inch Meters

First 2,000 gallons	\$7.72 Minimum Bill
Next 2,000 gallons	2.56 per 1,000 gallons
Next 6,000 gallons	2.21 per 1,000 gallons
Over 10,000 gallons	1.81 per 1,000 gallons

2 Inch Meters

First 20,000 gallons	\$44.20 Minimum Bill
Over 20,000 gallons	1.81 per 1,000 gallons