

COMMONWEALTH OF KENTUCKY
BEFORE THE UTILITY REGULATORY COMMISSION

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In the Matter of

THE APPLICATION OF CENTER RIDGE)
WATER SYSTEM FOR AN ADJUSTMENT) CASE NO. 7791
OF RATES)

O R D E R

On March 28, 1980, the Center Ridge Water System, hereinafter referred to as the "Applicant," filed with this Commission an application for an adjustment of rates.

The case was set for hearing at the Commission's office in Frankfort, Kentucky on June 12, 1980. All parties of interest were notified, and the Consumers Intervention Division of the Attorney General's Office was the sole intervenor of record.

The complete record and testimony in this matter through the conclusion of the June 12, 1980, hearing has been considered by the Commission in the making of this Order.

TEST PERIOD

The Applicant has proposed, and the Commission has adopted for use, the twelve (12) months ending December 31, 1979, for the purpose of determining the reasonableness of the proposed rates. Pro forma adjustments have been included where found fair, just and reasonable.

REVENUE AND EXPENSES

The Applicant proposed several pro forma revenue and expense adjustments in its Exhibit. The Commission is of the opinion that the adjustments are proper and they have been accepted for the purpose of establishing rates. As shown below, the net effect of these adjustments is to increase net operating income by \$154.80 to \$820.52.

	<u>Test</u> <u>Year</u>	<u>Proforma</u> <u>Adjustments</u>	<u>Adjusted</u>
Operating Revenues	\$5,119.85	\$1,504.15	\$6,624.00
Operating Expenses	4,454.13	1,349.35	5,803.48
Net Operating Income	\$ 665.72	\$ 154.80	\$ 820.52

SUMMARY

The Commission, after consideration of all the evidence of record and being advised, is of the opinion and finds:

1. That the rates proposed by the Applicant are fair, just, and reasonable. These rates are needed by the Applicant to meet the operating expenses.

ORDERS IN THIS MATTER

The Commission, on the basis of the matters hereinbefore set forth and the evidentiary record in this case hereby Orders:

1. That Center Ridge Water System increase its monthly charge for water service to residential customers from \$6.00 per month to \$8.00 per month, effective on or after the date of this Order.

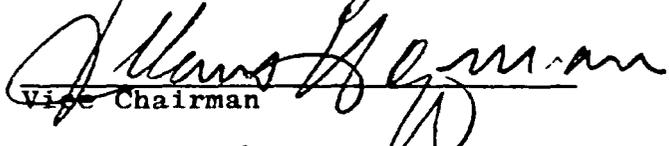
2. That Center Ridge Water System file with this Commission within thirty (30) days from the effective date of this Order a revised tariff incorporating the new rate.

3. That only the rates in this Order are to be affected. All other rates are to remain the same as stated in current tariffs.

Done at Frankfort, Kentucky, this 2nd day of July, 1980.

UTILITY REGULATORY COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary