COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF KENTUCKY WATER)
SERVICE COMPANY, INC., FOR A SURCHARGE) CASE NO. 8165
TO OFFSET A SURCHARGE GRANTED FERN)
LAKE COMPANY, ITS SUPPLIER.)

ORDER

On August 4, 1981, Kentucky Water Service Company, Inc., ("Company") filed a letter requesting the Commission's permission, in the event of a purchased water adjustment increase, to give notice to the public by means of publication in a newspaper rather than by bill insert inasmuch as the Company bills its customers by means of a postcard-type statement. The Company also requested authorization to use a form designed by it to notify the Commission of any purchased water adjustment changes. The Commission decided to treat this letter as an application to deviate from the provisions of the Company's approved purchased water adjustment clause.

The Commission, after consideration of the application, is of the opinion and finds that the deviations requested by the Company are beneficial to both the Company and its customers as they will save both time and money, and should therefore be approved.

During its examination of the approved clause and its provisions, the Commission further finds that an error appears in the text of Appendix A of its Order dated July 23, 1981, in the above-styled case, and that the Order should be amended.

IT IS THEREFORE ORDERED that Kentucky Water Service Company is hereby granted authorization to give notice to the public of a purchased water adjustment increase by means of publication in a newspaper of general circulation in the community.

IT IS FURTHER ORDERED that the Company is hereby authorized to use the proposed form with the stated attachments to notify the Commission of any purchased water adjustment changes.

IT IS FURTHER ORDERED that the third literary paragraph on page 3 of Appendix A to the Commission's Order entered July 23, 1981, in the above case be and it hereby is amended as follows:

(3) In instances where water purchases exceed 115% of water sales, the actual water sales shall be divided by 85%, yielding the maximum allowable water purchases. The maximum allowable water purchases shall then be multiplied by the change in cost per cubic foot or gallon, yielding the total allowable change. The total allowable change shall then be divided by the actual number of cubic feet or gallons sold, yielding the purchased water adjustment expressed in cents per cubic feet or gallons.

IT IS FURTHER ORDERED that all provisions of the Commission's Order entered July 23, 1981, not in conflict with this Order, shall remain in full force and effect.

Done at Frankfort, Kentucky, this 21stday of September, 1981.

PUBLIC SERVICE COMMISSION

Marlin h Why
Chairman

Did Not Participate

Vice Chairman

Commissioner

ATTEST:

Secretary