

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
STRINGTOWN WATER DISTRICT) CASE NO. 6536-1

O R D E R

On August 3, 1984, Stringtown Water District ("Stringtown") filed its application with the Public Service Commission ("Commission") requesting approval of its purchased water adjustment clause and authority to adjust its rates in accordance with that clause. On August 27, 1984, the Commission requested that additional information be filed. The requested information was filed on September 4, 1984, and the record is now complete.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

(1) The purchased water adjustment clause proposed by Stringtown is in compliance with 807 KAR 5:067 and should be approved.

(2) Stringtown's supplier, City of Lawrenceburg ("City"), increased the wholesale cost of water from \$.66 to \$.89 per 1,000 gallons, effective December 1, 1983.

(3) The statements of water purchased and sold for the 12-month period ending November 30, 1983, show that Stringtown's water loss is less than the 15 percent allowed

by the Commission; therefore, no adjustment for water loss is necessary.

(4) The total allowable increase in purchased water costs is \$4,765 resulting in a purchased water adjustment of \$.22 per 1,000 gallons.

(5) The financial information filed by Stringtown indicates that it cannot absorb an increase of this magnitude in the wholesale cost of water.

(6) The purchased water adjustment in the amount of \$.22 per 1,000 gallons and the rates in Appendix A are fair, just and reasonable and should be approved.

IT IS THEREFORE ORDERED that the purchased water adjustment clause proposed by Stringtown be and it hereby is approved effective on and after the date of this Order.

IT IS FURTHER ORDERED that the purchased water adjustment in the amount of \$.22 per 1,000 gallons and the rates in Appendix A be and they hereby are approved effective for services rendered on and after the date of this Order.

IT IS FURTHER ORDERED that for future application of Stingtown's purchased water adjustment clause, the base rate for purchased water shall be:

<u>Supplier</u>	<u>Rate</u>
City of Lawrenceburg	\$.89 per 1,000 gallons

IT IS FURTHER ORDERED that within 30 days of the date of this Order, Stringtown shall file its revised tariff sheets with the Commission setting out the rates approved herein.

Done at Frankfort, Kentucky, this 15th day of November, 1984.

PUBLIC SERVICE COMMISSION

Richard D. Womack
Chairman

Richard J. L.
Vice Chairman

James Stewart
Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 6536-1 DATED 11/15/84

The following rates are prescribed for customers of Stringtown 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.

<u>Usage Blocks</u>	<u>Rates</u>
First 2,000 gallons	\$4.94 Minimum
Next 3,000 gallons	1.22 per 1,000 gallons
Next 5,000 gallons	1.12 per 1,000 gallons
Over 10,000 gallons	1.08 per 1,000 gallons
South Anderson Water District	\$.94 per 1,000 gallons