

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED WATER ADJUSTMENT OF )  
EAST PENDLETON WATER DISTRICT ) CASE NO. 8360-1

O R D E R

On May 30, 1984, East Pendleton Water District ("East Pendleton") filed its application with the Public Service Commission ("Commission") seeking authority to adjust its rates in accordance with 807 KAR 5:067, Purchased Water Adjustment Clause. Subsequently, the Commission requested that additional information be filed. The required information was filed on June 28, 1984, and July 24, 1984, respectively, 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) Effective July 1, 1984, East Pendleton's supplier, City of Falmouth, changed its rate design and increased its rates for wholesale water from a flat rate of \$.75 per 1,000 gallons to a declining block rate design consisting of five rate steps, the lowest of which is \$.94 per 1,000 gallons.

(2) The statements of water purchased and sold filed by East Pendleton for the 12-month period ending April 30, 1984, show that its water loss is approximately 22 percent which is in excess of the maximum of 15 percent allowed by the Commission.

(3) After adjustments for water loss, the total allowable increase in purchased water costs is \$9,479, resulting in a purchased water adjustment of \$.22 per 1,000 gallons.

(4) The financial exhibits filed by East Pendleton indicate that it cannot absorb an increase of this magnitude in the wholesale cost of water.

(5) 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 in the amount of \$.22 per 1,000 gallons and the rates in Appendix A be and they hereby are approved for service rendered on and after the date of this Order.

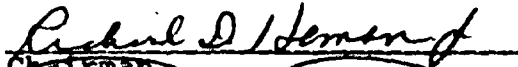
IT IS FURTHER ORDERED that for the purpose of future application of the purchased water adjustment clause of East Pendleton, the base rates for purchased water shall be:


<u>Supplier</u>	<u>Rate</u>
City of Falmouth	First 2,000 gal. \$5.00
	Next 3,000 gal. 1.06 per 1,000 gal.
	Next 5,000 gal. .88 per 1,000 gal.
	Next 40,000 gal. .73 per 1,000 gal.
	Over 50,000 gal. .94 per 1,000 gal.

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

Done at Frankfort, Kentucky, this 3rd day of October, 1984.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

\_\_\_\_\_  
Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. 8360-1 DATED 10/3/84

The following rates are prescribed for customers served by East Pendleton 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.

RESIDENTIAL

<u>USAGE BLOCKS</u>	<u>RATES</u>
First 1,000 gallons	\$8.20 Minimum
Next 99,000 gallons	2.45 per 1,000 gallons
Over 100,000 gallons	2.05 per 1,000 gallons

BLACK RIVER LIME

Monthly Meter Charge	\$300.00
First 100,000 gallons	2.45 per 1,000 gallons
Over 100,000 gallons	2.05 per 1,000 gallons

KINCAID LAKE PARK

First 100,000 gallons	\$647.00 Minimum
Over 100,000 gallons	2.05 per 1,000 gallons