

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF            )  
MAYO VILLAGE WATER COMPANY, INC.        ) CASE NO. 9702

O R D E R

On October 1, 1986, Mayo Village Water Company, Inc., ("Mayo Village") filed its application with the Public Service Commission ("Commission") requesting permission to adjust its rates pursuant to 807 KAR 5:067, Purchased Water Adjustment Clause.

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

1. Mayo Village's supplier, City of Pikeville ("City"), increased its rates for wholesale water from \$.65 per 1,000 gallons to \$1,030 per month plus \$.68 per 1,000 gallons for all water purchased, effective September 1, 1986.
2. Mayo Village purchased 22,753,000 gallons of water and sold 18,119,305 gallons during the 12-month period ending July 31, 1986.
3. No reasonable unaccounted-for water loss was expressly determined for Mayo Village in its last rate case.<sup>1</sup>

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<sup>1</sup> Case No. 8992, Application of Mayo Village Water Company, Inc., for an Adjustment of Its Rates Pursuant to the Alternative Rate Adjustment Procedure for Small Utilities, dated December 21, 1984.

4. Mayo Village's unaccounted-for water loss is 20.37 percent which is in excess of the maximum of 15 percent allowed where no reasonable water loss has been specifically established differing therefrom.

5. After adjustment of the water loss to the 15 percent maximum, Mayo Village's total allowable increase in purchased water costs is \$12,999.50, resulting in a purchased water adjustment of \$.717 per 1,000 gallons.

6. The rates proposed by Mayo Village and shown in Appendix A are fair, just and reasonable and should be approved.

7. The tariff filed by Mayo Village is incorrect in that it is not signed by the appropriate utility officer as required by 807 KAR 5:011, Section 3(4)(e). The tariff should be returned to Mayo Village for signature and refiling with the Commission.

8. Mayo Village should file proof of the publication of the notice to its customers.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Mayo Village and shown in Appendix A be and they hereby are approved for services rendered on and after the date of this Order.


2. The tariff filed by Mayo Village shall be returned for signature and refiling with the Commission within 30 days of the date of this Order.

3. Within 30 days of the date of this Order, Mayo Village shall file proof of publication of the notice to its customers.

Done at Frankfort, Kentucky, this 17th day of October, 1986.

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. 9702 DATED 10/17/86

The following rates and charges are prescribed for the customers in the area served by Mayo Village Water Company, Inc. 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.

Meter Rates for Monthly Water Usage

5/8-Inch Meter

First 2,000 Gallons	\$10.13 Minimum Bill
Next 3,000 Gallons	3.82 Per 1,000 Gallons
Next 15,000 Gallons	3.32 Per 1,000 Gallons
Next 30,000 Gallons	2.72 Per 1,000 Gallons
Over 50,000 Gallons	2.37 Per 1,000 Gallons

1-Inch Meter

First 2,000 Gallons	\$12.73 Minimum Bill
Next 3,000 Gallons	3.82 Per 1,000 Gallons
Next 15,000 Gallons	3.32 Per 1,000 Gallons
Next 30,000 Gallons	2.72 Per 1,000 Gallons
Over 50,000 Gallons	2.37 Per 1,000 Gallons

Form for filing Rate Schedules

For Pike County  
Community, Town or City

P.S.C. NO. 104065

SHEET NO. \_\_\_\_\_

Mayo Village Water Company, Inc.  
Name of Issuing Corporation

CANCELLING P.S.C. NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

CLASSIFICATION OF SERVICE

		RATE PER UNIT
Meter Rates for Monthly Water Usage		
<b>5/8" Meter</b>		
First	2,000 gallons	\$10.13 Minimum Bill
Next	3,000 gallons	3.82/thousand
Next	15,000 gallons	3.32/thousand
Next	30,000 gallons	2.72/thousand
Over	50,000 gallons	2.37/thousand
<b>1" Meter</b>		
First	2,000 gallons	\$12.73 Minimum Bill
Next	3,000 gallons	3.82/thousand
Next	15,000 gallons	3.32/thousand
Next	30,000 gallons	2.72/thousand
Over	50,000 gallons	2.37/thousand

DATE OF ISSUE October 1, 1986

DATE EFFECTIVE \_\_\_\_\_

ISSUED BY \_\_\_\_\_  
Name of Officer

TITLE \_\_\_\_\_

Form for filing Rate Schedules

For Pike County  
Community, Town or City

P.S.C. NO. 104065

SHEET NO. \_\_\_\_\_

Mayo Village Water Company, Inc.  
Name of Issuing Corporation

CANCELLING P.S.C. NO. \_\_\_\_\_

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Next	15,000 gallons	3.32/thousand
Next	30,000 gallons	2.72/thousand
Over	50,000 gallons	2.37/thousand

DATE OF ISSUE October 1, 1986

DATE EFFECTIVE \_\_\_\_\_

ISSUED BY \_\_\_\_\_  
Name of Officer

TITLE \_\_\_\_\_