

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
WEST LAUREL WATER ASSOCIATION) CASE NO. 9925

O R D E R

On April 30, 1987, West Laurel Water Association ("West Laurel") filed its revised tariff sheet with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to KRS 278.012 and 807 KAR 5:068, Purchased Water Adjustment.

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

1. West Laurel's supplier, Wood Creek Water District, increased its rate for purchased water from \$.80 to \$1.05 per 1,000 gallons, effective April 22, 1987.
2. West Laurel increased the rates to its customers effective May 1, 1987.
3. During the 12 months ending March 31, 1987, West Laurel purchased 165,162,800 gallons of water and sold 140,644,000 gallons.
4. West Laurel's calculations are correct and show an increase in purchased water costs of \$41,291, resulting in a purchased water adjustment of \$.29 per 1,000 gallons.
5. The tariff sheet filed by West Laurel is incorrect in that it includes minimum bills and usage levels for 3-inch, 4-inch

and 6-inch meters, which have not been previously approved by the Commission, and omits the minimum bill and usage for 1 1/2-inch meters now contained in its approved tariff. 807 KAR 5:068 provides only for the adjustment to rates resulting from an increase in purchased water costs. No other changes in rates or rate design may be considered within an application for purchased water adjustment, but must be requested by separate application or tariff filing. The rates and tariff sheet filed by West Laurel should, therefore, be denied.

6. The purchased water adjustment in the amount of \$.29 per 1,000 gallons and the rates in Appendix A should be approved.

IT IS THEREFORE ORDERED that:

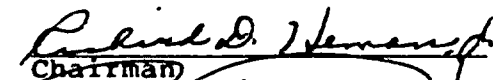
1. The rates and tariff sheet filed by West Laurel are hereby denied.

2. The purchased water adjustment in the amount of \$.29 per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after May 1, 1987.

3. Within 30 days of the date of this Order, West Laurel shall file revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 21st day of May, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:

Executive Director


Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9925 DATED 5/21/87

The following rates and charges are prescribed for the customers in the area served by West Laurel Water Association. 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.

Minimum Water Rates Based on Size of Connections

<u>Size of Water Meter Connections</u>	<u>Number of Gallons or Less of Water Per Month to be Provided for the Minimum Rates</u>	<u>Minimum Monthly Water Rate</u>
5/8 inch x 3/4	1,000	\$ 6.46
3/4 inch	3,500	12.41
1 inch	5,000	15.50
1 1/2 inch	10,000	24.05
2 inch	20,000	37.65

Meter Rates for Water Usage in Addition to Minimum Charge

Subject to the minimum water rates specified above, the following metered charges shall be made for each 1,000 gallons of water consumption per month to customers of all size connections:

<u>Number of Gallons of Water Per Month</u>	<u>Monthly Charge per 1,000 Gallons Per Month</u>
First 1,000 Gallons or Less	\$6.46 (Minimum Bill)
Next 2,000 Gallons	2.46 per 1,000 Gallons
Next 2,000 Gallons	2.06 per 1,000 Gallons
Next 5,000 Gallons	1.71 per 1,000 Gallons
All over 10,000 Gallons	1.36 per 1,000 Gallons