

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
REID VILLAGE WATER DISTRICT) CASE NO. 90-170

O R D E R

On June 18, 1990, Reid Village Water District ("Reid Village") filed a revised tariff with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Reid Village purchases water from the city of Mt. Sterling. Mt. Sterling bills on a declining block rate schedule based on units measured in cubic feet. Reid Village's rate schedule is based on units measured in gallons.

2. Effective June 1, 1990, Mt. Sterling increased its rates to Reid Village by approximately \$.13 per 100 cubic feet or \$.17 per 1,000 gallons of water.

3. Reid Village adjusted the rates to its customers effective June 1, 1990.

4. Reid Village purchased 40,459,619 gallons of water during the 12-month period ending May 31, 1990, and sold 39,435,991 gallons.

5. Reid Village's calculations are correct and show an increase in purchased water costs of \$6,919, resulting in a purchased water adjustment of \$.18 per 1,000 gallons.

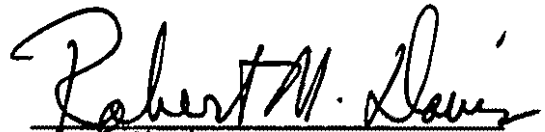
6. The rates proposed by Reid Village and shown in Appendix A, attached hereto and incorporated herein, are fair, just and reasonable and should be approved.


IT IS THEREFORE ORDERED that the purchased water adjustment of 18 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after June 1, 1990.

Done at Frankfort, Kentucky, this 16th day of July, 1990.

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. 90-170 DATED 7/16/90

The following rates and charges are prescribed for the customers in the area served by Reid Village Water District. 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.

| <u>Usage Blocks</u> | <u>Monthly Rate</u> |
|---------------------|------------------------|
| First 2,000 gallons | \$9.12 Minimum |
| Over 2,000 gallons | 1.81 per 1,000 gallons |