

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF NORTH)
MCLEAN COUNTY WATER DISTRICT) CASE NO. 91-271

O R D E R

On August 5, 1991, North McLean County Water District ("District") filed its revised tariff with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure, KRS 278.015 and 807 KAR 5:068. On August 14, 1991, the Commission notified the District by letter of deficiencies in its application. The filing deficiencies were cured by the District on August 29, 1991, and the record is now complete.

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

1. The District purchases water from the city of Calhoun ("Calhoun"), West Daviess County ("West Daviess"), and the city of Livermore ("Livermore").

2. Effective with the July 1991 billing, Calhoun increased its rate for water sold to the District from \$.90 to \$1.42 per 1,000 gallons. There has been no change in the rate charged by West Daviess. Prior to this case, Livermore billed the District on a two-step increasing block rate schedule. Livermore has changed the rate structure it charges to a flat fee.

3. Effective August 1, 1991, Livermore increased its rate to the District from approximately \$1.50 to \$1.71 per 1,000 gallons. The total increase in purchased water costs will result in an increase to the average monthly bill from \$19.58 to \$20.60 which is an increase of 5.21 percent.

4. The District increased the rates to its customers effective August 2, 1991.

5. During the 12 months ending June 30, 1991, the District purchased a total of 83,739,900 gallons of water. The District purchased from Calhoun 7,197,000 gallons from Meter No. 1 and 2,013,500 from Meter No. 2 for a total of 9,210,500 gallons; 33,352,000 gallons were purchased from Livermore; and from West Daviess the District purchased 37,265,500 gallons from Meter No. 1; 2,373,900 from Meter No. 2; and 1,538,000 from Meter No. 3 for a total of 41,177,400 gallons.

6. The District sold 71,447,700 gallons of water during the same 12-month period.

7. The increase in purchased water costs is \$11,725, resulting in a purchased water adjustment of 16 cents per 1,000 gallons of water.

8. The purchased water adjustment of 16 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

9. The tariff sheet filed by the District August 29, 1991 is correct and should be approved as filed.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of 16 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after August 2, 1991.

2. The tariff sheet filed by the District August 29, 1991 is approved as filed.

3. Within 20 days of the date of this Order, the District shall file with the Commission a copy of the published notice to its customers and verification that the notice has been given.

Done at Frankfort, Kentucky, this 18th day of September, 1991.

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. 91-271 DATED 9/18/91

The following rates and charges are prescribed for the customers in the area served by North McLean County 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 Rates</u>
First	2,000 gallons	\$9.02 Minimum Bill
Next	2,000 gallons	2.96 per 1,000 gallons
Next	2,000 gallons	2.46 per 1,000 gallons
Next	4,000 gallons	2.16 per 1,000 gallons
Next	30,000 gallons	1.86 per 1,000 gallons
Next	60,000 gallons	1.66 per 1,000 gallons
Over	100,000 gallons	1.46 per 1,000 gallons