

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF STRINGTOWN WATER)
DISTRICT FOR RATE ADJUSTMENT PURSUANT) CASE NO.
TO THE ALTERNATIVE RATE FILING PROCEDURE) 91-304
FOR SMALL UTILITIES)

O R D E R

On August 23, 1991, Stringtown Water District ("Stringtown") filed its application for Commission approval of a proposed increase in its rates for water service. The proposed rates for water service would generate additional annual revenues of \$12,836, an increase of 64 percent above test-year revenues.

In October 1991, Commission Staff conducted a field review of 1990 test-period financial records. Based upon this review, Commission Staff issued its report on October 31, 1991, recommending an increase in annual revenues of \$12,325.

By letter dated November 1, 1991, Stringtown was advised to file comments on the Staff Report or request a hearing no later than November 15, 1991, or the case would stand submitted to the Commission for decision. No comments on the Staff Report or requests for a hearing have been received.

The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable,

and are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The difference between the revenue requirement proposed by Stringtown and that found reasonable herein has a de minimus effect on the rates proposed by Stringtown. Therefore, no change in these rates has been reflected.

3. The rates in Appendix A, attached hereto and incorporated herein, are the fair, just, and reasonable rates for Stringtown and will produce gross annual revenues of \$32,315. These rates will allow Stringtown sufficient revenues to meet its operating expenses, and provide for future growth equity, including provisions for servicing its debt.

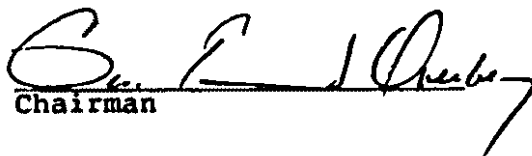
IT IS THEREFORE ORDERED that:

1. The rates proposed by Stringtown and contained in Appendix A are approved for service rendered by Stringtown on and after the date of this Order.

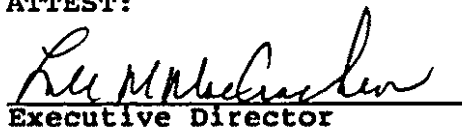
2. Within 30 days of the date of this Order, Stringtown shall file with the Commission its revised tariff setting out the rates approved herein.

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

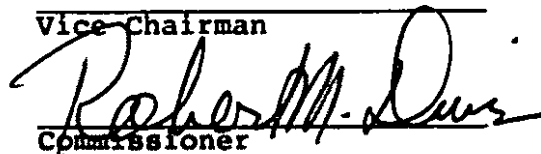
PUBLIC SERVICE COMMISSION


Chairman

ATTEST:


Executive Director

Vice Chairman


Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 91-304 DATED 12/18/91

The following rates and charges are prescribed for the customers in the area served by Stringtown 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.

Rate Blocks

Rates

| | |
|---------------------|------------------------|
| First 2,000 gallons | \$8.15 Minimum Bill |
| Next 3,000 gallons | 2.00 per 1,000 gallons |
| Next 5,000 gallons | 1.85 per 1,000 gallons |
| Over 10,000 gallons | 1.80 per 1,000 gallons |