

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
NORTH HOPKINS WATER DISTRICT) CASE NO. 94-014

O R D E R

On January 10, 1994, North Hopkins Water District ("North Hopkins") filed its application 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.

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

1. North Hopkins purchases water from the city of Madisonville, Kentucky ("Madisonville").

2. Effective January 1, 1994, Madisonville decreased its rates for wholesale water from \$1.77 per 1,000 gallons to \$1.54 per 1,000 gallons.

3. North Hopkins proposed to decrease the rates to its customers effective February 15, 1994. The Commission is of the opinion that the effective date of the proposed decreased rates should coincide with the effective date of Madisonville's wholesale rates; therefore, the effective date proposed by North Hopkins should be denied. The effective date of the rates proposed by North Hopkins should be January 1, 1994.

4. During the 12 months ending December 31, 1993, North Hopkins purchased 43,047,000 gallons of water and sold 39,522,260 gallons.

5. North Hopkins's calculations are correct and show a decrease in purchased water cost of \$9,900.81, resulting in a purchased water adjustment decrease of 25 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, monthly bills to North Hopkins customers will decrease from \$42.80 to \$41.55, a decrease of 2.92 percent.

6. The purchased water adjustment decrease of 25 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.

IT IS THEREFORE ORDERED that:

1. The effective date of February 15, 1994 for the proposed decrease in rates by North Hopkins is hereby denied.

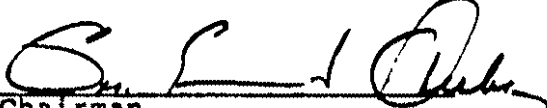
2. The purchased water adjustment of 25 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after January 1, 1994.

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

4. Within 30 days of the date of this Order, North Hopkins shall file verification that the notice to its customers has been given.

Done at Frankfort, Kentucky, this 7th day of February, 1994.

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. 94-014 DATED February 7, 1994.

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

MONTHLY RATES

5/8 x 3/4 Inch Meters

First 2,000 gallons	\$17.92 (Minimum Bill)
Next 2,000 gallons	8.66 per 1,000 gallons
Next 3,000 gallons	6.31 per 1,000 gallons
Next 3,000 gallons	5.16 per 1,000 gallons
Over 10,000 gallons	3.36 per 1,000 gallons

3/4 Inch Meters

First 3,000 gallons	\$26.58 (Minimum Bill)
Next 1,000 gallons	8.66 per 1,000 gallons
Next 3,000 gallons	6.31 per 1,000 gallons
Next 3,000 gallons	5.16 per 1,000 gallons
Over 10,000 gallons	3.36 per 1,000 gallons

1 Inch Meters

First 5,000 gallons	\$41.55 (Minimum Bill)
Next 2,000 gallons	6.31 per 1,000 gallons
Next 3,000 gallons	5.16 per 1,000 gallons
Over 10,000 gallons	3.36 per 1,000 gallons

1-1/2 Inch Meters

First 10,000 gallons	\$69.65 (Minimum Bill)
Over 10,000 gallons	3.36 per 1,000 gallons

2 Inch Meters

First 15,000 gallons	\$86.45 (Minimum Bill)
Over 15,000 gallons	3.36 per 1,000 gallons