

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
BOONESBORO WATER ASSOCIATION, INC.) CASE NO. 94-153

O R D E R

On April 15, 1994, Boonesboro Water Association, Inc. ("Boonesboro") filed its application with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068.

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

1. Boonesboro purchases water from Winchester Municipal Utilities ("Winchester").

2. Effective May 1, 1994, Winchester will increase its rates for wholesale water from \$1.28 per 1,000 gallons to \$1.327 per 1,000 gallons.

3. Boonesboro proposed to increase the rates to its customers effective May 1, 1994.

4. The rates proposed by Boonesboro have been miscalculated due to addition and, therefore, should be denied.

5. During the 12 months ending March 31, 1994, Boonesboro purchased 130,685,000 gallons of water and sold 117,539,000 gallons.

6. Boonesboro's calculations are correct and show an increase in purchased water cost of \$6,142.20, resulting in a purchased water adjustment of 5 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, monthly bills to Boonesboro's customers will increase 25 cents from \$19.67 to \$19.92, an increase of 1.3 percent.

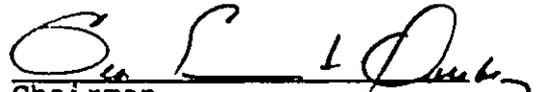
7. The purchased water adjustment of 5 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Boonesboro are hereby denied.
2. The purchased water adjustment of 5 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after May 1, 1994.
3. Within 30 days of the date of this Order, Boonesboro shall file revised tariffs setting out the rates approved herein.
4. Within 30 days of the date of this Order, Boonesboro shall file verification that the notice to its customers has been given.

Done at Frankfort, Kentucky, this 9th day of May, 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. 94-153 DATED MAY 9, 1994

The following rates and charges are prescribed for the customers in the area served by Boonesboro Water Association, Inc. 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.

Regular Rates:

<u>3/8 Inch x 3/4 Inch Meters</u>	
First 1,000 gallons	\$ 11.16
Each additional 1,000 gallons	2.19
<u>1 Inch Meters</u>	
First 10,000 gallons	30.87
Each additional 1,000 gallons	2.19
<u>1-1/2 Inch Meters</u>	
First 30,000 gallons	74.69
Each additional 1,000 gallons	2.19
<u>2 Inch Meters</u>	
First 50,000 gallons	118.51
Each additional 1,000 gallons	2.19
<u>3 Inch Meters</u>	
First 75,000 gallons	173.22
Each additional 1,000 gallons	2.19

Multiple Residence

First 1,000 gallons per residence	\$ 11.16
Each additional 1,000 gallons	2.19

e.g., two residences on one meter. The minimum bill would be \$22.32 for the first 2,000 gallons, then \$2.19 for each additional 1,000 gallons. This rate would apply to trailer parks.