

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
NICHOLAS COUNTY WATER DISTRICT) CASE NO. 94-207

O R D E R

On May 20, 1994, Nicholas County Water District ("Nicholas County") 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. Nicholas County purchases water from the City of Carlisle, Kentucky ("Carlisle").

2. Effective with bills due June 1994, Carlisle will increase its rates for wholesale water sold to Nicholas County. The increase in cost will be \$5,605 on an annual basis and will be an increase of approximately 11.36 percent to Nicholas County.

3. Nicholas County proposed to increase the rates to its customers effective June 10, 1994.

4. During the 12 months ending March 31, 1994, Nicholas County purchased 38,770,700 gallons of water and sold 30,735,916 gallons.

5. Nicholas County's calculations are correct and show an increase in purchased water cost of \$5,605.46, resulting in a

purchased water adjustment of 18 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, the average bill of Nicholas County's customers would increase 90 cents from \$23.30 to \$24.20 or 3.9 percent.

6. The minimum rates proposed by Nicholas County for 3-inch and 4-inch meters are incorrect and should be denied.

7. The purchased water adjustment of 18 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 minimum rates proposed by Nicholas County for 3-inch and 4-inch meters are hereby denied.

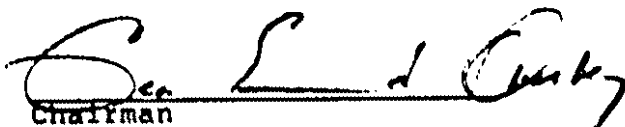
2. The purchased water adjustment of 18 cents per 1,000 gallons and the rates in Appendix A are hereby approved for services rendered on and after June 10, 1994.

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

4. Within 30 days of the date of this Order, Nicholas County shall file verification that its customers have been notified of the increase in rates as required by 807 KAR 5:068, Section 5.

Done at Frankfort, Kentucky, this 10th day of June, 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. 94-207 DATED JUNE 10, 1994

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

Consumption Block

Rates

First 1,000 gallons per month	\$8.04 Minimum Bill
Next 2,000 gallons per month	4.29 per 1,000 gallons
Next 2,000 gallons per month	3.79 per 1,000 gallons
Next 5,000 gallons per month	3.04 per 1,000 gallons
Next 15,000 gallons per month	2.79 per 1,000 gallons
Over 25,000 gallons per month	2.54 per 1,000 gallons

Minimum Monthly Charge

Gallons Allowed

5/8" or 3/4" Meter	\$ 8.04 per month	1,000 gallons
1" Meter	16.62 per month	3,000 gallons
1-1/2" Meter	34.54 per month	8,400 gallons
2" Meter	46.85 per month	12,667 gallons
3" Meter	122.24 per month	41,125 gallons
4" Meter	185.77 per month	66,125 gallons