

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
NORTH HOPKINS WATER DISTRICT) CASE NO. 94-487

O R D E R

On December 1, 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 ("Madisonville").

2. Madisonville increased its rates for water sold from \$1.54 per 1,000 gallons to \$1.61 per 1,000 gallons effective January 1, 1995. North Hopkins proposes to increase the water rates to its customers effective January 1, 1995.

3. During the 12 months ending October 31, 1994, North Hopkins purchased 47,538,000 gallons of water and sold 43,111,000 gallons. The increase in the cost of purchased water is \$3,327.66, resulting in a purchased water adjustment of 8 cents per 1,000 gallons as shown in Appendix B. Based on an average monthly usage of 5,000 gallons, monthly bills to North Hopkins's customers will increase 40 cents from \$42.80 to \$43.20, an increase of 1 percent.

4. North Hopkins has miscalculated the rates; therefore, the rates proposed by North Hopkins should be denied.

5. The purchased water adjustment of 8 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 North Hopkins are hereby denied.

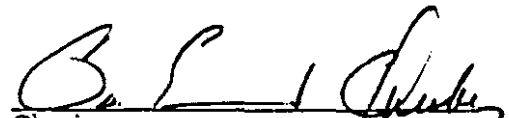
2. The purchased water adjustment of 8 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after January 1, 1995.

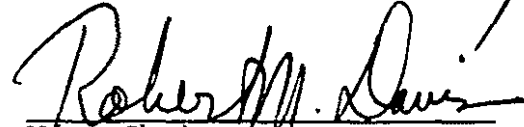
3. Within 30 days of the date of this Order, North Hopkins shall file revised tariffs setting out the rates approved herein.

4. Within 20 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 19th day of December, 1994.

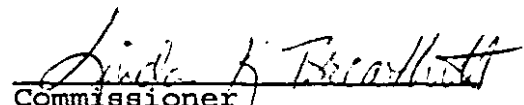
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 94-487 DATED DECEMBER 19, 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	\$18.58	Minimum Bill
Next	2,000 gallons	8.99	per 1,000 gallons
Next	3,000 gallons	6.64	per 1,000 gallons
Next	3,000 gallons	5.49	per 1,000 gallons
Over	10,000 gallons	3.69	per 1,000 gallons

3/4 Inch Meters

First	3,000 gallons	\$27.57	Minimum Bill
Next	1,000 gallons	8.99	per 1,000 gallons
Next	3,000 gallons	6.64	per 1,000 gallons
Next	3,000 gallons	5.49	per 1,000 gallons
Over	10,000 gallons	3.69	per 1,000 gallons

1 Inch Meters

First	5,000 gallons	\$43.20	Minimum Bill
Next	2,000 gallons	6.64	per 1,000 gallons
Next	3,000 gallons	5.49	per 1,000 gallons
Over	10,000 gallons	3.69	per 1,000 gallons

1-1/2 Inch Meters

First	10,000 gallons	\$72.95	Minimum Bill
Over	10,000 gallons	3.69	per 1,000 gallons

2 Inch Meters

First	15,000 gallons	\$91.40	Minimum Bill
Over	15,000 gallons	3.69	per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 94-487 DATED DECEMBER 19, 1994.

PURCHASED WATER ADJUSTMENT CALCULATIONS

Water Purchased: 47,538,000 gallons
Water Sold: 43,111,000 gallons

Cost at Changed Rate:

47,538,000 x \$1.61 = \$76,536.18

LESS

Cost at Base Rate:

47,538,000 x \$1.54 = \$73,208.52

Increase in Cost: \$ 3,327.66

\$3,327.66 + 43,111,000 gallons sold = \$.077 cents or
\$0.08/1,000 gallons