

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WEST DAVIESS COUNTY)
WATER DISTRICT FOR APPROVAL OF A RATE) CASE NO. 93-103
SURCHARGE)

O R D E R

West Daviess County Water District ("West Daviess") has moved to amend the Commission's Order of August 5, 1993 to permit the collection of additional revenues from a special surcharge.¹ We grant the motion.

On March 24, 1993, West Daviess applied, pursuant to KRS 74.395, for a rate surcharge to finance the construction of an expansion to its water distribution system. The surcharge was expected to produce revenues sufficient to cover the expansion project's estimated total cost of \$400,000. On August 5, 1993, the Commission authorized the assessment of such surcharge. It further ordered West Daviess to cease collection of the surcharge at the end of five years or when total surcharge proceeds and any interest on these proceeds equaled \$400,000.

West Daviess has since solicited bids for the proposed expansion project. Based upon the bids which it received, it now expects that the expansion project's final cost will be \$472,000.

¹ By letter dated June 28, 1995, West Daviess requested that the August 5, 1993 Order be amended. The Commission will consider this letter as a motion to amend.

Having reviewed the motion and being otherwise sufficiently advised, the Commission finds that proposed modification to the surcharge is consistent with West Daviess' initial plans and should be granted.

IT IS THEREFORE ORDERED that:

1. West Daviess' motion to amend the Commission's Order of August 5, 1993 is granted.

2. Ordering Paragraph 3 of the Commission's Order of August 5, 1993 is amended as follows:

3. The surcharge set out in Appendix A is approved for the collection of additional revenues of \$472,000 by West Daviess on and after the date of this Order, for a period not to exceed five years. If the total of the surcharge proceeds and any interest earned on monies collected thereon reaches \$472,000 before the five-year period ends, West Daviess shall immediately cease assessing the surcharge.

3. All other provisions of the Commission's Order of August 5, 1993 remain in full force and effect.

Done at Frankfort, Kentucky, this 2nd day of October, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director