

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY-AMERICAN )  
WATER COMPANY TO INCREASE ITS RATES ) CASE NO. 95-554

O R D E R

The Commission, on its own motion, hereby finds that two revenue adjustments accepted in the September 11, 1996 Order at pages 29-30 were inadvertently not included in the ultimate calculation of revenue requirements and new rates. The two adjustments, as shown in Appendix B attached hereto are: (1) Miscellaneous Revenues - Returned Check Charge, an increase of \$12,384 and (2) Allowance for Funds Used During Construction ("AFUDC"), a decrease of \$88,364. Although the total revenue requirement does not change, the impact of these two adjustments is an increase to revenue required from water sales of \$75,980, for a total revenue requirement from water sales of \$33,884,925. The rates in Appendix A attached hereto will produce the revenue requirement from water sales of \$33,884,925 found reasonable herein and are the fair, just, and reasonable rates to be charged in lieu of those approved by the September 11, 1996 Order.

IT IS THEREFORE ORDERED, nunc pro tunc, that the rates in Appendix A shall supersede those appended to the September 11, 1996 Order and are approved for service in accord with the September 11, 1996 Order.

Done at Frankfort, Kentucky, this 13th day of September, 1996.

PUBLIC SERVICE COMMISSION

Linda K. Breathitt  
Chairman

E. J. [Signature]  
Vice Chairman

Robert M. Davis  
Commissioner

ATTEST:

Don Mills  
Executive Director

## APPENDIX A

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 95-554 DATED September 13, 1996.

The following rates and charges are prescribed for the customers in the area served by Kentucky-American Water Company. 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.

#### SERVICE CLASSIFICATION NO. 1

#### METER RATES

The following shall be the rates for consumption, in addition to the service charges provided herein:

<u>Customer Category</u>	<u>Rate Per 1,000 Gallons All Consumption</u>	<u>Rate Per 100 Cubic Feet All Consumption</u>
Residential	\$2.01145	\$1.50859
Commercial	1.89809	1.42357
Industrial	1.51996	1.13997
Municipal & Other Public Authority	1.81825	1.36369
Sales for Resale	1.73944	1.30458

SERVICE CHARGES

All metered general water service customers shall pay a service charge based on the size of meter installed. The service charge will not entitle the customer to any water.

<u>Size of Meter</u>	<u>Service Charge</u>	
	<u>Per Month</u>	<u>Per Quarter</u>
5/8 Inch	\$ 6.62	\$ 19.86
3/4 Inch	9.93	29.79
1 Inch	16.55	49.65
1-1/2 Inch	33.10	99.30
2 Inch	52.96	158.88
3 Inch	99.30	297.90
4 Inch	165.50	496.50
6 Inch	331.00	993.00
8 Inch	529.60	1,588.80

SERVICE CLASSIFICATION NO. 3

AVAILABILITY OF SERVICE

Available for municipal or private fire connections used exclusively for fire protection purposes.

FIRE SERVICE RATES

<u>Size of Service</u>	<u>Rate Per Month</u>	<u>Rate Per Annum</u>
2" Diameter	\$ 3.88	\$ 46.56
4" Diameter	15.52	186.24
6" Diameter	34.88	418.56
8" Diameter	62.00	744.00
10" Diameter	96.88	1,162.56
12" Diameter	139.52	1,674.24
14" Diameter	189.93	2,279.16
16" Diameter	248.01	2,976.12

SERVICE CLASSIFICATION NO. 4

RATES FOR PUBLIC FIRE SERVICE

	<u>Rate Per Month</u>	<u>Rate Per Annum</u>
For each public fire hydrant contracted for or ordered by urban county, county, state, or federal government agencies or institutions	\$23.24	\$278.88

RATES FOR PRIVATE FIRE SERVICE

	<u>Rate Per Month</u>	<u>Rate Per Annum</u>
For each private fire hydrant contracted for by industries or private institutions	\$34.88	\$418.56

HIDDEN LEAK ADJUSTMENT: A charge of twenty-five (25) percent of the applicable tariffed rate will be applied to all water usage determined to be the result of a hidden underground leak.

APPENDIX B  
 APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
 COMMISSION IN CASE NO. 95-554 DATED SEPTEMBER 13, 1996

	Per Order Issued 11-Sep-96	Adjustments	As Corrected by Order Issued 13-Sep-96
<b>Total Revenue Requirement</b>	<u>\$34,543,076</u>	<u>\$0</u>	<u>\$34,543,076</u>
<b>Other Operating Revenues:</b>			
Reconnection Charges	\$166,127	\$0	\$166,127
Other Miscellaneous Service Revenues	6,000	0	6,000
Rents from Water Property	3,100	0	3,100
Billing & Collection Services	259,200	0	259,200
Miscellaneous	7,200	0	7,200
Returned Check Fee	0	12,384	12,384
AFUDC	292,504	(88,364)	204,140
<b>Total Other Operating Revenues</b>	<u>\$734,131</u>	<u>(\$75,980)</u>	<u>\$658,151</u>
<b>Required Revenue from Water Sales</b>	<u>\$33,808,945</u>	<u>\$75,980</u>	<u>\$33,884,925</u>