

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SEDALIA WATER            )  
DISTRICT FOR A RATE ADJUSTMENT            )  
PURSUANT TO THE ALTERNATIVE RATE        ) CASE NO. 95-585  
FILING PROCEDURE FOR SMALL UTILITIES    )

O R D E R

On December 27, 1995, Sedalia Water District ("Sedalia") filed an application with the Kentucky Public Service Commission ("Commission") pursuant to 807 KAR 5:076 seeking approval to increase its tariffed water rates by 15.9 percent. The proposed rates would generate additional annual revenues of \$4,194.

On June 21 and September 6, 1995, Commission Staff conducted a field review of Sedalia's test-period financial records. Based upon this review, Commission Staff issued a report on February 6, 1996, recommending that Sedalia be allowed to increase its annual operating revenues by the requested amount of \$4,194.

By Order dated February 6, 1996, the Commission advised Sedalia that comments on the Staff Report or requests for a public hearing must be submitted no later than February 21, 1996, or this case would stand submitted to the Commission for decision. No comments or requests for a hearing have been filed.

The Commission, after consideration of the evidence of record and being sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and

are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rates in Appendix A, which is attached hereto and incorporated herein, are the fair, just, and reasonable rates for Sedalia and will produce gross annual water revenues of \$31,287. These rates will allow Sedalia sufficient revenues to meet its operating expenses.

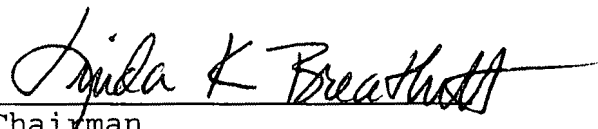
IT IS THEREFORE ORDERED that:


1. The rates in Appendix A are approved for service rendered by Sedalia on and after the date of this Order.

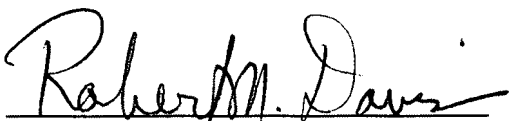
2. Within 30 days of the date of this Order, Sedalia shall file with the Commission its revised tariff setting out the rates approved herein in conformance with 807 KAR 5:011.

Done at Frankfort, Kentucky, this 14th day of March, 1996.

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. 95-585 DATED MARCH 14, 1996

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

<u>MONTHLY USAGE</u>	<u>RATE</u>
First 2,000 gallons	\$ 9.80 (minimum bill)
Next 2,000 gallons	3.20 per 1,000 gallons
Over 4,000 gallons	1.56 per 1,000 gallons