

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
SOUTHEAST DAVIESS COUNTY WATER) CASE NO. 96-123
DISTRICT)

O R D E R

On March 29, 1996, Southeast Daviess County Water District ("Southeast Daviess") 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. Southeast Daviess purchases its water from the Owensboro Municipal Utilities ("Owensboro Municipal").

2. Effective August 1, 1995, Owensboro Municipal increased its rates for wholesale water from \$1.093 per 1,000 gallons to \$1.148 per 1,000 gallons.

3. During the 12 months ending February 1996, Southeast Daviess purchased 528,769,807 gallons of water and sold 486,701,360 gallons.

4. Southeast Daviess' calculations are correct and show an increase in purchased water cost of \$29,082, resulting in a purchased water adjustment of 6 cents per 1,000 gallons. Based on

an average monthly usage of 5,000 gallons, the average bill of Southeast Daviess' customers would increase 30 cents, from \$12.42 to \$12.72, or 2.4 percent.

5. The purchased water adjustment of 6 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:

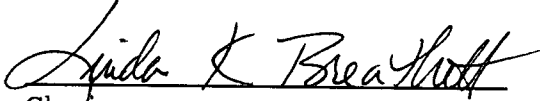
1. The purchased water adjustment of 6 cents per 1,000 gallons and the rates in Appendix A are hereby approved for services rendered on and after March 27, 1996.

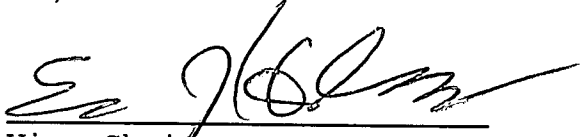
2. Within 30 days from the date of this Order, Southeast Daviess shall file its revised tariff setting out the rates approved herein.

3. Within 30 days of the date of this Order, Southeast Daviess shall file verification that the notice to its customers has been given.


Done at Frankfort, Kentucky, this 16th day of April, 1996.

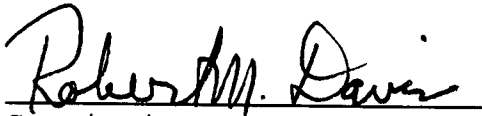
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 96-123 DATED APRIL 16, 1996

The following rates and charges are prescribed for the customers in the area served by Southeast Daviess County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Rate

Non-Users	\$5.34
First 2,000 gallons	6.90
Next 8,000 gallons	1.94 per 1,000 gallons
Next 10,000 gallons	1.83 per 1,000 gallons
Next 20,000 gallons	1.72 per 1,000 gallons
Over 40,000 gallons	1.63 per 1,000 gallons
To Other Water Districts	\$1.38 per 1,000 gallons