

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
WEST LAUREL WATER ASSOCIATION) CASE NO. 96-350

O R D E R

On July 23, 1996, West Laurel Water Association ("West Laurel") filed its application with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. West Laurel purchases water from Wood Creek Water District ("Wood Creek").
2. Effective August 1, 1996, Wood Creek will increase its rate for wholesale water from \$1.15 per 1,000 gallons to \$1.24 per 1,000 gallons.
3. West Laurel proposed to increase the rates to its customers effective August 1, 1996.
4. During the 12 months ending June 30, 1996, West Laurel purchased 240,524,200 gallons of water and sold 204,344,700 gallons.
5. West Laurel's calculations show an increase in purchased water cost of \$21,647, resulting in a purchased water adjustment of 10 cents per 1,000 gallons. Based

on an average monthly usage of 5,000 gallons, the average monthly bill of West Laurel's customers will increase 50 cents from \$21.92 to \$22.42, or 2.3 percent.

6. The purchased water adjustment of 10 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.

7. West Laurel's proposed tariff is correct and should be approved.

IT IS THEREFORE ORDERED that:

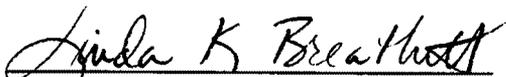
1. The purchased water adjustment of 10 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after August 1, 1996.

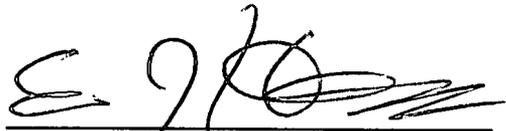
2. West Laurel's proposed tariff is approved.

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

Done at Frankfort, Kentucky, this 7th day of August, 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. 96-350 DATED AUGUST 7, 1996.

The following rates and charges are prescribed for the customers in the area served by West Laurel Water Association. 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.

MINIMUM WATER RATES BASED ON SIZE CONNECTIONS

<u>Size of Meter Connection</u>	<u>Number of Gallons or Less Per Month to be Provided for Minimum Rate</u>	<u>Minimum Monthly Water Rate</u>
5/8" x 3/4"	1,000 Gallons	\$ 7.86
1"	5,000 Gallons	22.42
2"	20,000 Gallons	60.32
3"	30,000 Gallons	83.42
4"	50,000 Gallons	129.62
6"	100,000 Gallons	245.12

METER RATES FOR WATER USAGE IN ADDITION TO MINIMUM CHARGE

Subject to the minimum water rates specified above, the following metered charges shall be made for each 1,000 gallons of water consumption per month to customers of all connections.

<u>Number of Gallons of Water Per Month</u>	<u>Monthly Charge Per 1,000 Gallons Per Month</u>
First 1,000 Gallons	\$ 7.86 Minimum Bill
Next 2,000 Gallons	3.78 Per 1,000 Gallons
Next 2,000 Gallons	3.50 Per 1,000 Gallons
Next 5,000 Gallons	2.96 Per 1,000 Gallons
All Over 10,000 Gallons	2.31 Per 1,000 Gallons
Wholesale Rate	1.69 Per 1,000 Gallons