

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF       )  
WHITLEY COUNTY WATER DISTRICT       )   CASE NO. 96-578

O R D E R

On December 2, 1996, Whitley County Water District ("Whitley County") applied to the Public Service Commission ("Commission") for authority to adjust 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. Whitley County purchases water from four suppliers, the Corbin Utilities Commission ("Corbin"), the City of Williamsburg, the Cumberland Falls Highway Water District, and Jellico, Tennessee. Whitley County produces a portion of its water at the Rockholds Well.
2. Corbin filed with the Commission to increase its rate from \$1.40 per 1,000 gallons to \$2.20 per 1,000 gallons. The Commission accepted the proposed rate increase effective for service rendered on and after February 16, 1997.
3. During the 12 months ending September 30, 1996, Whitley County purchased 39,484,000 gallons of water from Corbin. During that same period of time, Whitley County sold 84,464,000 gallons.

4. Whitley County's purchased water adjustment calculations show an increase in purchased water cost of \$31,587.20, resulting in a purchased water adjustment of 37 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, monthly bills to Whitley County's customers would increase \$1.85 from \$28.15 to \$30.00, or 6.5 percent.

5. The purchased water adjustment of 37 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.

6. Whitley County's proposed tariff is correct and should be approved.

IT IS THEREFORE ORDERED that:

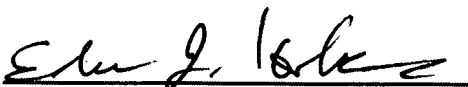
1. The purchased water adjustment of 37 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after February 16, 1997.

2. Whitley County's proposed tariff is approved.

Done at Frankfort, Kentucky, this 4th day of March, 1997.

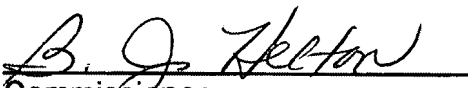
PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

ATTEST:

  
Executive Director

  
Commissioner

## APPENDIX A

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 96-578 DATED MARCH 4, 1997

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

#### Monthly Rates:

##### Metered Customers

First	1,000 Gallons	\$10.80 (Minimum Charge)
Next	4,000 Gallons	4.80
Next	95,000 Gallons	4.30
Over 100,000	Gallons	3.80

##### Non-Metered Customers

\$30.00 Per Month Flat Rate