

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
MUHLENBERG COUNTY WATER DISTRICT) CASE NO. 10486

O R D E R

On December 7, 1988, Muhlenberg County Water District ("Muhlenberg") filed its revised tariff with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to KRS 278.015 and 807 KAR 5:068, Purchased Water Adjustment.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

1. Effective January 1, 1989, Muhlenberg's supplier, City of Central City, will increase its rates for wholesale water from \$.891 to \$1.0094 per 1,000 gallons.

2. Muhlenberg proposed to adjust the rates to its customers effective January 1, 1989.

3. During the 12 months ending September 1988, Muhlenberg purchased 421,199,600 gallons of water and sold 303,795,100 gallons.

4. Muhlenberg's initial calculations are incorrect in that it erroneously divided the increase in costs by the gallons purchased rather than the gallons sold. Additional information was filed on December 12, 1988 correcting this error.

5. The increase in purchased water costs is \$49,870, resulting in a purchased water adjustment of \$.16 per 1,000 gallons.

6. The purchased water adjustment of \$.16 per 1,000 gallons and the rates in Appendix A are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment and rates proposed by Muhlenberg are denied.

2. The purchased water adjustment of \$.16 per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after January 1, 1989.

3. Within 30 days of the date of this Order, Muhlenberg shall file a revised tariff setting out the rates approved herein.

4. Within 30 days of the effective date of this Order, Muhlenberg shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 21st day of December, 1988.

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. 10486 DATED 12/21/88

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

<u>USAGE BLOCKS</u>	<u>MONTHLY RATES</u>
<u>5/8 x 3/4 Inch Connection</u>	
First 2,000 gallons	\$10.42 Minimum Bill
Next 8,000 gallons	4.76 per 1,000 gallons
Next 10,000 gallons	4.16 per 1,000 gallons
Next 30,000 gallons	3.51 per 1,000 gallons
Over 50,000 gallons	2.61 per 1,000 gallons
<u>1 Inch Connection</u>	
First 5,000 gallons	\$24.70 Minimum Bill
Next 5,000 gallons	4.76 per 1,000 gallons
Next 10,000 gallons	4.16 per 1,000 gallons
Next 30,000 gallons	3.51 per 1,000 gallons
Over 50,000 gallons	2.61 per 1,000 gallons
<u>1 1/2 Inch Connection</u>	
First 11,000 gallons	\$52.66 Minimum Bill
Next 9,000 gallons	4.16 per 1,000 gallons
Next 30,000 gallons	3.51 per 1,000 gallons
Over 50,000 gallons	2.61 per 1,000 gallons
<u>2 Inch Connection</u>	
First 16,000 gallons	\$73.46 Minimum Bill
Next 4,000 gallons	4.16 per 1,000 gallons
Next 30,000 gallons	3.51 per 1,000 gallons
Over 50,000 gallons	2.61 per 1,000 gallons
<u>Wholesale Customer</u>	
Drakesboro	\$1.96 per 1,000 gallons