

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF ADJUSTMENT OF THE RATES )  
OF KENTUCKY-AMERICAN WATER COMPANY ) CASE NO. 91-361

O R D E R

On November 27, 1991, Kentucky-American Water Company ("Kentucky-American") filed its notice with the Commission seeking to increase its rates and charges. The proposed rates would produce an annual increase in revenue of \$2,241,987, an increase of approximately 8.46 percent over existing revenues.<sup>1</sup>

Kentucky-American also requested Commission approval of its proposed step rate increase that would become effective 30 days after completion of the \$3,237,000 waterworks improvement project, commonly known as the "Jacks Creek Pipeline."<sup>2</sup> Kentucky-American's proposed step rate increase would produce an annual increase in revenue of \$486,788, an additional increase of approximately 1.69 percent.<sup>3</sup>

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<sup>1</sup> Notice, page 2.

<sup>2</sup> Case No. 91-359; Application of Kentucky-American Water Company for a Certificate of Public Convenience and Necessity Authorizing the Construction of Approximately 49,000 Feet of 24" Main, 400 Feet of 12" Main, 240 Feet of 8" Main, With Associated Valves and Fittings, Known as the "Jacks Creek Pipeline," Order dated April 17, 1992.

<sup>3</sup> Notice, page 2.

In order to determine the reasonableness of the request, a public hearing was scheduled for March 25, 1992 at the Commission's offices in Frankfort, Kentucky. The Utility and Rate Intervention Division of the Attorney General's Office ("Attorney General") and the Lexington-Fayette Urban County Government ("Lexington-Fayette") intervened in this matter. Pursuant to the Commission's procedural Order, all parties were afforded an opportunity to engage in discovery. Witnesses for Kentucky-American prefiled testimony. The Attorney General and Lexington-Fayette did not prefile testimony.

On March 19, 1992, Kentucky-American, the Attorney General, and Lexington-Fayette, the parties in this matter, filed their Joint Stipulation and Recommendation ("Joint Stipulation"), which is attached hereto and incorporated herein as Appendix B. The following is a brief synopsis of the Joint Stipulation:

1. Kentucky-American's revenues will be increased by approximately \$1,000,000. The increased rates will not be placed in effect prior to May 16, 1992 nor later than May 27, 1992 and the increase will be spread evenly over all rate classes.

2. Kentucky-American will not seek a general rate increase prior to October 15, 1992. However, this will not preclude Kentucky-American from participating in a Commission-established generic or company-specific purpose rate proceeding (i.e., to reflect changes in federal income tax law).

3. The "step rate increase" for the Jacks Creek Pipeline will not be included in rates pursuant to this Joint Stipulation.

The Joint Stipulation set forth only the amount of revenue increase agreed to and not the underlying calculations and adjustments. In determining the overall reasonableness of the proposed \$1,000,000 annual revenue increases the Commission has evaluated all revenue and expense adjustments proposed by Kentucky-American in light of our normal rate-making treatment. In addition, consideration has been given to the rates of return on common equity which have been authorized in recent cases. Based on a review of all these factors and the evidence of record, the Commission finds that the earnings resulting from the Joint Stipulation should fall within a range reasonable to both Kentucky-American and its customers. The \$1,000,000 revenue increase provided for in the Joint Stipulation will result in fair, just, and reasonable rates for Kentucky-American.

The Joint Stipulation is in the public interest and should be accepted for rate-making purposes. The Commission's approval of this settlement is based solely on its reasonableness in toto and does not constitute the approval of any rate-making adjustment or revenue allocation.

IT IS THEREFORE ORDERED that:

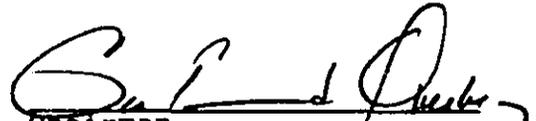
1. The rates and charges proposed by Kentucky-American be and they are hereby denied.
2. The terms and conditions set forth in the Joint Stipulation be and they hereby are adopted and approved.
3. The Joint Stipulation set forth in Appendix B to this Order be and it is hereby incorporated into this Order as if fully set forth herein.

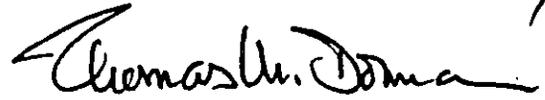
4. The rates set forth in Appendix A, which is attached hereto and incorporated herein, be and they hereby are approved for service rendered by Kentucky-American on and after May 16, 1992.

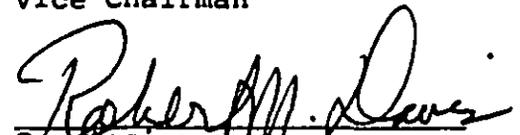
5. Kentucky-American shall file revised tariffs setting forth the rates contained in Appendix A within 30 days from the date of this Order.

Done at Frankfort, Kentucky, this 7th day of May, 1992.

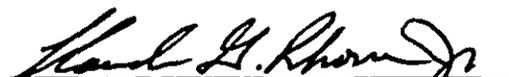
PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director , Acting

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 91-361 DATED 5/7/92

The following rates and charges are prescribed for the customers in the area served by Kentucky-American Water Company. 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.

CLASSIFICATION OF SERVICE  
SERVICE CLASSIFICATION NO. 1

METER RATES

The following shall be the rates for consumption, in addition to the service charge provided for herein:

	<u>1,000 Gallons Per Month</u>	<u>Rate Per 1,000 Gallons</u>	<u>100 Cubic Feet Per Month</u>	<u>Rate Per 100 Cubic Feet</u>
For the First	600	\$1.8047	800	\$1.3535
For all Over	600	1.4119	800	1.0589
	<u>1,000 Gallons Per Quarter</u>	<u>Rate Per 1,000 Gallons</u>	<u>100 Cubic Feet Per Quarter</u>	<u>Rate Per 100 Cubic Feet</u>
For the First	1,800	\$1.8047	2,400	\$1.3535
For all Over	1,800	1.4119	2,400	1.0589

SERVICE CHARGES

All metered general water service customers shall pay a service charge based on the size of meter installed. The service charge will not entitle the customer to any water.

<u>Size of Meter</u>	<u>Service Charge</u>	
	<u>Per Month</u>	<u>Per Quarter</u>
5/8 Inch	\$ 5.39	\$ 16.17
3/4 Inch	8.07	24.21
1 Inch	13.44	40.32
1 1/2 Inch	26.88	80.64
2 Inch	43.00	129.00

<u>Size of Meter</u>	<u>Service Charge</u>	
	<u>Per Month</u>	<u>Per Quarter</u>
3 Inch	80.62	241.86
4 Inch	134.37	403.11
6 Inch	268.75	806.25
8 Inch	430.01	1,290.03

**CLASSIFICATION OF SERVICE**  
**SERVICE CLASSIFICATION NO. 3**

**RATES**

<u>Size of Service</u>	<u>Rate Per Month</u>	<u>Rate Per Annum</u>
2 Inch Diameter	\$ 3.35	\$ 40.20
4 Inch Diameter	13.40	160.80
6 Inch Diameter	30.15	361.80
8 Inch Diameter	53.60	643.20
10 Inch Diameter	83.75	1,005.00
12 Inch Diameter	120.61	1,447.32
14 Inch Diameter	164.14	1,969.68
16 Inch Diameter	214.40	2,572.80

**CLASSIFICATION OF SERVICE**  
**SERVICE CLASSIFICATION NO. 4**

**RATES FOR PUBLIC FIRE SERVICE**

	<u>Rate Per Month</u>	<u>Rate Per Annum</u>
For each public fire hydrant contracted for or ordered by Urban County, County, State or Federal Governmental Agencies or Institutions	\$20.98	\$251.76

**RATES FOR PRIVATE FIRE SERVICE**

	<u>Rate Per Month</u>	<u>Rate Per Annum</u>
For each private fire hydrant contracted for by Industries or Private Institutions	\$30.15	\$361.80

APPENDIX B

Appendix to an Order of the Kentucky Public Service Commission in Case No. 91-361 Dated 5/7/92

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

MAR 13 1 27 PM '92

IN THE MATTER OF:	)	
	)	
NOTICE OF ADJUSTMENT OF THE	)	CASE NO. 91-361
RATES OF KENTUCKY-AMERICAN	)	
WATER COMPANY EFFECTIVE ON	)	
AND AFTER DECEMBER 16, 1991	)	

JOINT STIPULATION AND RECOMMENDATION

It is the intent and purpose of the parties to this proceeding, namely: Kentucky-American Water Company, the Attorney General for the Commonwealth of Kentucky (Attorney General), and Lexington-Fayette Urban County Government (LFUCG) to express their agreement on a mutually satisfactory resolution of all of the issues in the instant case.

It is understood by all parties hereto that this Stipulation and Recommendation is not binding upon the Commission, nor does it represent agreement on any specific theory supporting the appropriateness of any stipulated and recommended adjustments to Kentucky-American's rates. The parties have spent many hours, over many days, in order to reach the agreements which form the basis of this Stipulation and Recommendation. All of the parties, which represent diverse interests and divergent viewpoints, agree that this Stipulation and Recommendation, viewed in its entirety, is a reasonable resolution of all issues in this proceeding.

Furthermore, the adoption of this Stipulation and Recommendation will eliminate the need for the Commission and the

parties to expend significant resources in litigation of this proceeding, and eliminate the possibility of, and any need for, rehearing or any appeals of the Commission's final order herein. It is the position of the parties hereto that this Stipulation and Recommendation is supported by sufficient and adequate data and information, and is entitled to serious consideration by the Commission. Based upon the parties' participation in settlement conferences and the materials on file with the Commission, and upon the belief that these materials adequately support this Stipulation and Recommendation, the parties hereby stipulate and recommend the following:

1. Kentucky-American should be permitted to adjust its rates in order to permit it to recover approximately \$1,000,000 in additional annual revenue, with such rates to be effective as may be ordered by the Commission but not for service prior to May 16, 1992 nor later than May 27, 1992. The additional annual revenue shall be generated evenly and uniformly from all rate classes so that each class has as nearly as possible the same percentage rate increase. The pro-forma tariff rate sheets, Attachment A hereto, are recommended as reflecting the new rates to be effective on the aforementioned date. Those pro-forma tariff sheets further reflect rates that are designed to permit Kentucky-American the opportunity to recover the additional revenues from its various service classes in accordance with its tariff both currently existing and as supplemented and amended by this Stipulation and Agreement.

2. The step-tariff increase filed in this proceeding, having a revenue requirement of approximately \$486,788 on an annual basis, to become effective thirty (30) days after the completion date of the Jacks Creek Pike Water Main Installation Project, is not and shall not be included in rates pursuant to this Agreement. Any such proposal desired by the company for this project shall be postponed until the next proceeding before this Commission as described in paragraph 3 below.

3. Kentucky-American agrees that it will not seek any general base rate increase prior to October 15, 1992. This agreement is understood to permit Kentucky-American to file a notice to increase rates no sooner than September 15, 1992, with an actual rate case being filed no sooner than October 15, 1992. Additionally, should the Commission establish generic or company-specific special purpose proceedings to adjust rates, for example, to reflect changes in federal income tax law or regulations or the imposition of special energy taxes, Kentucky-American is not precluded from participation in such proceedings and rates may be reduced or increased as a result of such proceedings.

4. Each party hereto waives all cross-examination of the witnesses of the other parties hereto unless the Commission disapproves this Joint Stipulation, and further stipulates and recommends that the Notice of Intent, and the Notice and Application filed in these proceedings be admitted into the record.

5. This Stipulation and Recommendation is submitted for purposes of this case only and is not deemed binding upon the

parties hereto in any other proceeding, nor is it to be offered or relied upon in any other proceeding involving Kentucky-American or any other utility. Nothing in this Stipulation and Recommendation is intended or should be construed to prohibit any party from taking any position it deems necessary in any other Commission proceeding or in any civil action.

6. If the Commission issues an order adopting this Stipulation and Recommendation in its entirety, each of the parties hereto agrees that it shall file neither an application for rehearing with the Commission, nor an appeal to the Franklin County Circuit Court from such order.

7. If this Stipulation and Recommendation is not adopted in its entirety, each party reserves the right to withdraw from it and require that hearings go forward upon all or any matters involved herein, and that in such event the terms of this Agreement shall not be deemed binding upon the parties hereto, nor shall such Agreement be admitted into evidence or referred to or relied on in any manner by any party hereto, the Commission or its staff in any such hearing.

8. All of the parties hereto agree that the foregoing Stipulation and Recommendation is reasonable and in the best interest of all concerned, and urge that the Commission adopt this Agreement in its entirety.

AGREED this 18<sup>th</sup> day of March, 1992.

STOLL, KEENON & PARK  
1000 First Security Plaza  
Lexington, Kentucky 40507-1380  
Telephone: (606) 231-3000

By *Lindsey Ingram*  
Lindsey Ingram

ATTORNEYS FOR KENTUCKY-AMERICAN  
WATER COMPANY

*William E. Doyle*  
UTILITY AND RATE INTERVENTION DIVISION  
OFFICE OF THE ATTORNEY GENERAL

*James W. Gans*  
LEXINGTON-FAYETTE URBAN  
COUNTY GOVERNMENT

P.S.C. Ky. No. 6;  
Cover Sheet and Original Sheets;  
Nos. 1, 2, 4 through 21, 24, 25, 26, 28;  
through 49, 51, 54, and 58  
First Revised Sheet Nos. 22, 23, 27, 56, 57, and 60;  
Second Revised Sheet No. 3  
Sixteenth Revised Sheet No. 50  
Fifteenth Revised Sheet No. 52; and  
Thirteenth Revised Sheet No. 53.

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**KENTUCKY-AMERICAN WATER COMPANY**

**OF**

**2300 RICHMOND ROAD, LEXINGTON, KENTUCKY**

**RATES FOR FURNISHING WATER**

**AT**

**CITY OF LEXINGTON, AND FAYETTE COUNTY, KENTUCKY AND  
CONTIGUOUS TERRITORY THERETO**

**AND**

**RULES AND REGULATIONS FOR FURNISHING WATER**

**AT**

**CITY OF LEXINGTON, AND FAYETTE COUNTY, KENTUCKY  
AND CONTIGUOUS TERRITORY THERETO**

**FILED WITH THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

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**ISSUED:**

**EFFECTIVE:**

**Issued By:** \_\_\_\_\_, R. A. Edens, Vice President  
2300 Richmond Road, Lexington, Kentucky

CLASSIFICATION OF SERVICE  
SERVICE CLASSIFICATION NO. 1

APPLICABLE

Applicable to all customers in the City of Lexington, Fayette County, Kentucky and contiguous territory thereto.

AVAILABILITY OF SERVICE

Available for Residential, Commercial, Industrial, Sales for Resale, Municipal and All Other Public Authority Metered Service.

METER RATES

The following shall be the rates for consumption, in addition to the service charges provided for herein:

	<u>1000 Gallons Per Month</u>	<u>Rate Per 1000 Gallons</u>	<u>100 Cubic Feet Per Month</u>	<u>Rate Per 100 Cubic Feet</u>
(I) For the first	600	\$1.8047	800	\$1.3535
(I) For all over	600	1.4119	800	1.0589

	<u>1000 Gallons Per Quarter</u>	<u>Rate Per 1000 Gallons</u>	<u>100 Cubic Feet Per Quarter</u>	<u>Rate Per 100 Cubic Feet</u>
(I) For the first	1,800	\$1.8047	2,400	\$1.3535
(I) For all over	1,800	1.4119	2,400	1.0589

SERVICE CHARGE

All metered general water service customers shall pay a service charge based on the size of meter installed. The service charge will not entitle the customer to any water.

Service Charge

	<u>Size of Meter</u>	<u>Per Month</u>	<u>Per Quarter</u>
(I)	5/8"	\$ 5.39	\$ 16.17
(I)	3/4"	8.07	24.21
(I)	1"	13.44	40.32
(I)	1-1/2"	26.88	80.64
(I)	2"	43.00	129.00
(I)	3"	80.62	241.86
(I)	4"	134.37	403.11
(I)	6"	268.75	806.25
(I)	8"	430.01	1,290.03

(I) INDICATES INCREASE

ISSUED:

EFFECTIVE:

Issued By: \_\_\_\_\_, R. A. Edens, Vice President  
 2300 Richmond Road, Lexington, Kentucky

CLASSIFICATION OF SERVICESERVICE CLASSIFICATION NO. 3APPLICABLE

Applicable to all customers in the City of Lexington, Fayette County, Kentucky and contiguous territory thereto.

AVAILABILITY OF SERVICE

Available for municipal or private fire connections used exclusively for fire protection purposes.

RATES

	<u>Size of Service</u>	<u>Rate Per Month</u>	<u>Rate Per Annum</u>
(I)	2" Diameter	\$ 3.35	\$ 40.20
(I)	4" Diameter	13.40	160.80
(I)	6" Diameter	30.15	361.80
(I)	8" Diameter	53.60	643.20
(N)	10" Diameter	83.75	1,005.00
(I)	12" Diameter	120.61	1,447.32
(I)	14" Diameter	164.14	1,969.68
(N)	16" Diameter	214.40	2,572.80

SPECIAL PROVISIONS

No charge shall be made for water used in extinguishing accidental fires or for Underwriters' tests, and water shall not be drawn from a private fire service connection for any other purpose.

- (I) INDICATES INCREASE  
(N) INDICATES NEW RATE

ISSUED:

EFFECTIVE:

Issued By: \_\_\_\_\_, R. A. Edens, Vice President  
2300 Richmond Road, Lexington, Kentucky

CLASSIFICATION OF SERVICE

SERVICE CLASSIFICATION NO. 4

APPLICABLE

Applicable to all customers in the City of Lexington, Fayette County, Kentucky and contiguous territory thereto.

AVAILABILITY OF SERVICE

Available for municipal or private fire connections used exclusively for fire protection purposes.

	<u>RATES FOR PUBLIC FIRE SERVICE</u>	<u>Rate Per Month</u>	<u>Rate of Annum</u>
	For each public fire hydrant contracted for or ordered by Urban County, County, State or Federal Governmental Agencies or Institutions		
(I)		\$20.98	\$251.76
	 <u>RATES FOR PRIVATE FIRE SERVICE</u>		
	For each private fire hydrant contracted for by Industries or Private Institutions		
(I)		\$30.15	\$361.80

(I) INDICATES INCREASE

ISSUED:

EFFECTIVE:

Issued By: \_\_\_\_\_, R. A. Edens, Vice President  
2300 Richmond Road, Lexington, Kentucky

CLASS AND SCHEDULE REVENUE SUMMARY

KENTUCKY PUBLIC SERVICE COMMISSION  
 COMPANY: KENTUCKY-AMERICAN WATER COMPANY  
 CASE NO: 91-361

TEST YEAR: TWELVE MONTHS ENDED 9/30/91  
 EXHIBIT NO. 6 SCHEDULE 3  
 PAGE 1 OF 1

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CLASS/DESCRIPTION	CURRENT RATES			AGREED RATES			DOLLAR CHANGE	TOTAL REVENUES % CHANGE
	SALES (CCF)	TOTAL REVENUE	% OF REVENUE TO TOTAL	SALES (CCF)	TOTAL REVENUE	% OF REVENUE TO TOTAL		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
RESIDENTIAL	6,366,371	\$12,719,010	47.98%	6,366,371	\$13,204,247	48.00%	\$485,237	3.82%
COMMERCIAL	5,168,864	7,729,372	29.16%	5,168,864	8,023,167	29.16%	293,795	3.80%
INDUSTRIAL	1,141,200	1,247,346	4.71%	1,141,200	1,294,884	4.71%	47,538	3.81%
OTHER PUBLIC AUTHORITY	1,992,024	2,424,045	9.14%	1,992,024	2,516,346	9.15%	92,301	3.81%
OTHER WATER SERVICE	330,967	362,796	1.37%	330,967	376,621	1.37%	13,825	3.81%
MISCELLANEOUS	7,081	14,301	0.05%	7,081	14,846	0.05%	545	3.81%
PRIVATE FIRE SERVICE		480,220	1.81%		499,562	1.81%	19,342	3.82%
PUBLIC FIRE SERVICE		1,275,473	4.81%		1,324,006	4.81%	48,533	3.81%
<b>TOTAL</b>	<b>15,006,487</b>	<b>26,252,503</b>	<b>89.03%</b>	<b>15,006,487</b>	<b>27,252,679</b>	<b>89.06%</b>	<b>\$1,000,176</b>	<b>3.81%</b>
PRO FORMA OTHER OPERATING REVENUES								
MISCELLANEOUS SERVICE REVENUES		6,138	0.02%		6,138	0.02%	0	0.00%
RENTS FROM WATER PROPERTIES		3,285	0.01%		3,285	0.01%	0	0.00%
RECONNECTION CHARGES		99,240	0.37%		99,240	0.36%	0	0.00%
BILLING & COLLECTING SERVICES		52,959	0.20%		52,959	0.19%	0	0.00%
MISCELLANEOUS		6,387	0.02%		6,387	0.02%	0	0.00%
AFUDC		80,386	0.34%		80,386	0.33%	0	0.00%
<b>PRO FORMA TOTAL OPERATING REVENUES</b>		<b>\$26,510,899</b>	<b>100%</b>		<b>\$27,511,074</b>	<b>100%</b>	<b>\$1,000,176</b>	<b>3.77%</b>
OPERATING REVENUES PER PETITIONER'S EXHIBIT NO. 4, SCHEDULE 1		<b>\$26,510,899</b>			<b>\$28,752,885</b>			

TEST YEAR REVENUES AT CURRENT RATES VS. AGREED RATES

KENTUCKY PUBLIC SERVICE COMMISSION

COMPANY: KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 91-361

TEST YEAR: TWELVE MONTHS ENDED 9/30/91

EXHIBIT NO. 6 SCHEDULE 4

PAGE 1 OF 8

LINE NO.	CLASS/DESCRIPTION	CUSTOMER METER BILLINGS	CURRENT RATES				AGREED RATES						TOTAL REVENUES % CHANGE	
			SALES (CCF)	SALES (1000 G)	CURRENT RATE	TOTAL REVENUE	% OF REVENUE TO TOTAL	SALES (CCF)	SALES (1000 G)	AGREED RATE	TOTAL REVENUE	% OF REVENUE TO TOTAL		DOLLAR CHANGE
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
RESIDENTIAL:														
CUSTOMER CHARGE:														
5/8" MONTHLY		24			\$5.19	\$125	0.00%			\$5.39	\$129	0.00%	\$4	3.20%
5/8" QUARTERLY		274,209			15.57	4,269,434	33.57%			16.17	4,433,969	33.58%	164,526	3.85%
3/4" MONTHLY		0			7.77	0	0.00%			8.07	0	0.00%	0	0.00%
3/4" QUARTERLY		38			23.31	886	0.01%			24.21	920	0.01%	34	3.84%
1" MONTHLY		5			12.95	65	0.00%			13.44	67	0.00%	2	3.08%
1" QUARTERLY		3,294			38.85	127,972	1.01%			40.32	132,814	1.01%	4,842	3.78%
1 1/2" MONTHLY		0			25.89	0	0.00%			26.88	0	0.00%	0	0.00%
1 1/2" QUARTERLY		37			77.67	2,874	0.02%			80.64	2,984	0.02%	110	3.83%
2" MONTHLY		0			41.42	0	0.00%			43.00	0	0.00%	0	0.00%
2" QUARTERLY		159			124.26	19,757	0.16%			129.00	20,511	0.16%	754	3.82%
3" MONTHLY		0			77.66	0	0.00%			80.62	0	0.00%	0	0.00%
3" QUARTERLY		0			232.98	0	0.00%			241.86	0	0.00%	0	0.00%
4" MONTHLY		0			129.44	0	0.00%			134.37	0	0.00%	0	0.00%
4" QUARTERLY		0			388.32	0	0.00%			403.11	0	0.00%	0	0.00%
6" MONTHLY		0			258.89	0	0.00%			268.75	0	0.00%	0	0.00%
6" QUARTERLY		0			776.67	0	0.00%			806.25	0	0.00%	0	0.00%
8" MONTHLY		0			414.23	0	0.00%			430.01	0	0.00%	0	0.00%
8" QUARTERLY		0			1,242.69	0	0.00%			1,290.03	0	0.00%	0	0.00%
BLOCK CONSUMPTION:														
MONTHLY ACCOUNTS:														
0-800 CCF			951		1.3040	1,240	0.01%	951		1.3535	1,287	0.01%	47	3.79%
OVER 800 CCF			0		1.0200	0	0.00%	0		1.0589	0	0.00%	0	0.00%
0-600 1000G				0	1.7390	0	0.00%		0	1.8047	0	0.00%	0	0.00%
OVER 600 1000G				0	1.3600	0	0.00%		0	1.4119	0	0.00%	0	0.00%
QUARTERLY ACCOUNTS:														
0-2400 CCF			6,455,713		1.3040	8,418,250	66.19%	6,455,713		1.3535	8,737,808	66.17%	319,558	3.80%
OVER 2400 CCF			278		1.0200	284	0.00%	278		1.0589	294	0.00%	10	3.52%
0-1800 1000G				0	1.7390	0	0.00%		0	1.8047	0	0.00%	0	0.00%
OVER 1800 1000G				0	1.3600	0	0.00%		0	1.4119	0	0.00%	0	0.00%
CREDIT ADJUSTMENTS			(90,571)			(122,137)	-0.96%	(90,571)			(126,797)	-0.96%	(4,660)	3.82%
ADDITIONAL/LOCAL BILLINGS			0			260	0.00%	0			270	0.00%	10	3.85%
		277,766	6,366,371	0		\$12,719,010	100.01%	6,366,371	0		\$13,204,247	100.00%	\$485,237	3.82%
CONVERT TO CCF		0	0	0		0	0.00%	0	0		0	0.00%	0	0.00%
TOTAL CCF			6,366,371					6,366,371						



TEST YEAR REVENUES AT CURRENT RATES VS. AGREED RATES

KENTUCKY PUBLIC SERVICE COMMISSION  
 COMPANY: KENTUCKY-AMERICAN WATER COMPANY  
 CASE NO: 91-361

TEST YEAR: TWELVE MONTHS ENDED 9/30/91  
 EXHIBIT NO. 6 SCHEDULE 4  
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LINE  
 D.

CLASS/DESCRIPTION (A)	CUSTOMER METER BILLINGS (B)	CURRENT RATES					AGREED RATES					DOLLAR CHANGE (M)	TOTAL REVENUES % CHANGE (N)
		SALES (CCF) (C)	SALES (1000 G) (D)	CURRENT RATE (E)	TOTAL REVENUE (F)	% OF REVENUE TO TOTAL (G)	SALES (CCF) (H)	SALES (1000 G) (I)	AGREED RATE (J)	TOTAL REVENUE (K)	% OF REVENUE TO TOTAL (L)		
INDUSTRIAL:													
CUSTOMER CHARGE:													
5/8" MONTHLY	0			\$5.19	\$0	0.00%			\$5.39	\$0	0.00%	\$0	0.00%
5/8" QUARTERLY	3			15.57	47	0.00%			16.17	49	0.00%	2	4.26%
3/4" MONTHLY	0			7.77	0	0.00%			8.07	0	0.00%	0	0.00%
3/4" QUARTERLY	0			23.31	0	0.00%			24.21	0	0.00%	0	0.00%
1" MONTHLY	12			12.95	155	0.01%			13.44	161	0.01%	6	3.87%
1" QUARTERLY	0			38.85	0	0.00%			40.32	0	0.00%	0	0.00%
1 1/2" MONTHLY	12			25.89	311	0.02%			26.88	323	0.02%	12	3.66%
1 1/2" QUARTERLY	0			77.67	0	0.00%			80.64	0	0.00%	0	0.00%
2" MONTHLY	280			41.42	11,598	0.93%			43.00	12,040	0.93%	442	3.81%
2" QUARTERLY	9			124.26	1,118	0.09%			129.00	1,161	0.09%	43	3.85%
3" MONTHLY	0			77.66	0	0.00%			80.62	0	0.00%	0	0.00%
3" QUARTERLY	0			232.98	0	0.00%			241.86	0	0.00%	0	0.00%
4" MONTHLY	161			129.44	20,840	1.67%			134.37	21,634	1.67%	794	3.81%
4" QUARTERLY	0			388.32	0	0.00%			403.11	0	0.00%	0	0.00%
6" MONTHLY	36			258.89	9,320	0.75%			268.75	9,675	0.75%	355	3.81%
6" QUARTERLY	0			776.67	0	0.00%			806.25	0	0.00%	0	0.00%
8" MONTHLY	0			414.23	0	0.00%			430.01	0	0.00%	0	0.00%
8" QUARTERLY	0			1,242.69	0	0.00%			1,290.03	0	0.00%	0	0.00%
BLOCK CONSUMPTION:													
MONTHLY ACCOUNTS:													
D-800 CCF		140,034		1.3040	182,604	14.64%	140,034		1.3535	189,536	14.64%	6,932	3.80%
OVER 800 CCF		1,008,163		1.0200	1,028,326	82.44%	1,008,163		1.0589	1,067,544	82.44%	39,218	3.81%
D-600 1000G			0	1.7390	0	0.00%		0	1.8047	0	0.00%	0	0.00%
OVER 600 1000G			0	1.3600	0	0.00%		0	1.4119	0	0.00%	0	0.00%
QUARTERLY ACCOUNTS:													
D-2400 CCF		1,674		1.3040	2,183	0.18%	1,674		1.3535	2,266	0.17%	93	3.80%
OVER 2400 CCF		0		1.0200	0	0.00%	0		1.0589	0	0.00%	0	0.00%
D-1800 1000G			0	1.7390	0	0.00%		0	1.8047	0	0.00%	0	0.00%
OVER 1800 1000G			0	1.3600	0	0.00%		0	1.4119	0	0.00%	0	0.00%
CREDIT ADJUSTMENTS													
ADDITIONAL/LOCAL BILLINGS		(13,199)			(14,298)	-1.15%	(13,199)			(14,843)	-1.15%	(545)	3.81%
		4,528			5,142	0.41%	4,528			5,338	0.41%	196	3.81%
-----													
	513	1,141,200	0		\$1,247,346	99.99%	1,141,200	0		\$1,284,884	99.99%	\$47,538	3.81%
-----													
CONVERT TO CCF		0	0		0		0						
-----													
TOTAL CCF		1,141,200					1,141,200						
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TEST YEAR REVENUES AT CURRENT RATES VS. AGREED RATES

KENTUCKY PUBLIC SERVICE COMMISSION  
 COMPANY: KENTUCKY-AMERICAN WATER COMPANY  
 CASE NO: 91-361

TEST YEAR: TWELVE MONTHS ENDED 9/30/91  
 EXHIBIT NO. 6 SCHEDULE 4  
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LINE NO.

LINE NO.	CLASS/DESCRIPTION	CUSTOMER METER BILLINGS	CURRENT RATES				AGREED RATES					TOTAL REVENUES % CHANGE		
			SALES (CCF)	SALES (1000 G)	CURRENT RATE	TOTAL REVENUE	% OF REVENUE TO TOTAL	SALES (CCF)	SALES (1000 G)	AGREED RATE	TOTAL REVENUE		% OF REVENUE TO TOTAL	DOLLAR CHANGE
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
9	PRIVATE FIRE SERVICE:													
10	PRIVATE FIRE CHARGES:													
11	4" CONNECTIONS	183			\$154.92	\$28,350	5.90%			\$160.80	\$28,426	5.90%	1,076	3.80%
12	6" CONNECTIONS	477			348.48	166,225	34.61%			361.80	172,578	34.62%	6,354	3.82%
13	8" CONNECTIONS	188			619.56	116,477	24.25%			643.20	120,922	24.25%	4,445	3.82%
14	10" CONNECTIONS	0			0.00	0	0.00%			1,005.00	0	0.00%	0	0.00%
15	12" CONNECTIONS	2			1,394.16	2,788	0.58%			1,447.32	2,895	0.58%	107	3.84%
16	14" CONNECTIONS	1			1,897.44	1,897	0.40%			1,969.68	1,970	0.40%	73	3.85%
17	16" CONNECTIONS	0			0.00	0	0.00%			2,572.80	0	0.00%	0	0.00%
18	PRIVATE FIRE HYDRANTS	472			348.48	164,483	34.25%			361.80	170,170	34.25%	6,287	3.82%
19														
20	TOT PRIVATE FIRE SERVICE	1,323				\$480,220	99.99%				\$498,562	100.00%	\$18,342	3.82%
21														

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TYPICAL BILL COMPARISON

KENTUCKY PUBLIC SERVICE COMMISSION  
 COMPANY: KENTUCKY-AMERICAN WATER COMPANY  
 CASE NO: 91-361

TEST YEAR: TWELVE MONTHS ENDED 9/30/91  
 EXHIBIT NO. 6 SCHEDULE 5  
 PAGE 1 OF 1

LINE NO.	RATE DATA					BILL DATA-SINGLE 5/8" METER					
	RATE BLOCK LIMITS (A)	PRESENT RATES (B)	PROPOSED RATES (C)	CHANGE (D)	PERCENT CHANGE (E)	LEVEL OF USAGE (F)	PRESENT BILL (G)	PROPOSED BILL (H)	DOLLAR CHANGE (I)	PERCENT CHANGE (J)	
10	100 CUBIC FEET - QUARTERLY										
12	SERVICE CHARGE	15.57	16.17	0.60	3.85%						
13	FIRST BLOCK	1.304	1.354	0.049	3.80%						
14	SECOND BLOCK	1.020	1.059	0.039	3.81%						
18						100 CU. FT:					
19	FIRST BLOCK	0-2400				0	15.57	16.17	0.60	3.85%	
20	SECOND BLOCK	OVER 2400				1	16.87	17.52	0.65	3.85%	
21						2	18.18	18.88	0.70	3.85%	
22						3	19.48	20.23	0.75	3.85%	
23						4	20.79	21.59	0.79	3.80%	
24						5	22.09	22.94	0.85	3.85%	
25						6	23.39	24.29	0.90	3.85%	
26						7	24.70	25.64	0.94	3.81%	
27						8	26.00	27.00	1.00	3.85%	
28						9	27.31	28.35	1.04	3.81%	
29						10	28.61	29.71	1.10	3.84%	
30						12	31.22	32.41	1.19	3.81%	
31						15	35.13	36.47	1.34	3.81%	
32						16	36.43	37.83	1.40	3.84%	
33						18	39.04	40.53	1.49	3.82%	
34						20	41.65	43.24	1.59	3.82%	
35						25	48.17	50.01	1.84	3.82%	
36						30	54.69	56.78	2.09	3.82%	
37						40	67.73	70.31	2.58	3.81%	
38						50	80.77	83.85	3.08	3.81%	
39						100	145.87	151.52	5.65	3.88%	
40						200	276.37	286.87	10.50	3.80%	
41						300	406.77	422.22	15.45	3.80%	
42						400	537.17	557.57	20.40	3.80%	
43						500	667.57	692.32	25.35	3.80%	
44						600	797.97	829.27	30.30	3.80%	
45						700	928.37	963.62	35.25	3.80%	
46						800	1058.77	1098.87	40.20	3.80%	
47						900	1188.17	1234.32	45.15	3.80%	
48						1000	1318.57	1369.67	50.10	3.80%	
49						2000	2623.57	2723.17	99.60	3.80%	
50						3000	3757.17	3899.01	142.74	3.80%	