

RC

In the matter of Midland Water Company,)
Inc. tariff designed to increase rates for)
water service pursuant to the Commission's) Case No. WR-97-558
informal rate procedure.)

Pursuant to the Commission's informal rate procedure, Midland Water Company (Midland) filed tariffs on June 25, 1997 designed to increase total annual revenue for water service by \$6718, or 90 percent. The proposed tariffs currently bear an effective date of August 9. On July 28 the Staff of the Commission (Staff) filed a recommendation reflecting that Staff, Midland and the Office of the Public Counsel (OPC) have agreed to the proposed rates.

In its recommendation Staff states that after completion of its investigation of the books, records and operations of Midland, there is justification for the proposed increase and recommends the increase be approved by the Commission.

Staff states that the following reflects the proposed tariffs and is a monthly bill comparison for a customer of Midland using 5,000 gallons of water per month:

MONTHLY RATE	CURRENT	PROPOSED	DIFFERENCE	PERCENT INCREASE
	\$12.18	\$24.01	\$11.83	97 percent

Staff further recommends that the small company depreciation rates filed July 3 and appended to this order as Attachment A be approved by the Commission.

The Commission has reviewed the tariff filing, the Staff recommendation and accompanying documentation in the case file and finds the proposed annual increase to be reasonable and in the public interest together with the attached depreciation schedule. The Commission will approve the proposed tariffs and depreciation schedule for service on or after August 9.

IT IS THEREFORE ORDERED:

1. That the following tariff filed June 25, 1997 by Midland Water Company, Inc. is hereby approved for service on or after August 9, 1997:

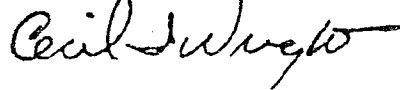
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2. That the proposed depreciation schedule, Attachment A to this order, is hereby approved for use by Midland Water Company, Inc., which is ordered to file tariffs adopting this depreciation schedule for use on or after August 9, 1997.

3. That this order shall become effective on August 9, 1997.

BY THE COMMISSION



Cecil I. Wright
Executive Secretary

(S E A L)

Zobrist, Chm., Crumpton, Drainer,
Murray, and Lumpe, CC., Concur.

ALJ: Derque

MIDLAND WATER COMPANY DEPRECIATION RATES

(WATER)

File # 9700496

<u>Acct. No.</u>	<u>Description of Account</u>	<u>Annual Rate</u>
314	Wells & Springs	2.0%
321	Structures & Improvements	2.5%
325	Electric Pumping Equipment	10.0%
342	Distribution Reservoirs & Standpipes	2.5%
343	Transmission & Distribution Mains	2.0%
345	Services	2.9%
346.1	Meters - Bronze Chamber (35 yr, +5% salv)	2.7%
349	Other Transmission & Distribution Plant	3.3%
391.1	Office Computers (7 yr, +9% salv)	13.0%