

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT                    )  
FILING OF GARRARD COUNTY WATER            ) CASE NO. 2011-00291  
ASSOCIATION, INC.                                    )

ORDER

On August 5, 2011, Garrard County Water Association, Inc. ("Garrard County") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

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

1. Garrard County purchases water from the city of Lancaster ("Lancaster"), the city of Danville ("Danville"), and the city of Berea ("Berea").
2. Lancaster notified Garrard County on August 3, 2011 that it will increase its volumetric wholesale rate to Garrard County from \$1.99 per 1,000 gallons to \$2.01 per 1,000 gallons, effective September 10, 2011.<sup>2</sup>
3. Garrard County proposes to put the rates into effect September 10, 2011.
4. Garrard County proposes a purchased water adjustment factor of \$0.02 per 1,000 gallons.

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<sup>1</sup> KRS 278.012; 807 KAR 5:068.

<sup>2</sup> The rate charged by Lancaster includes the base rate of \$1.92 per 1,000 gallons plus the Kentucky River Authority Fee of \$0.088 per 1,000 gallons.

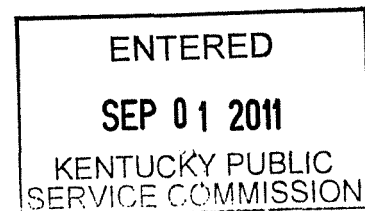
5. During the 12 months ending July 31, 2011, Garrard County purchased 269,418,330 gallons of water from Lancaster; 91,727,010 gallons of water from Danville; 31,458,636 gallons of water from Berea; and sold 315,055,043 gallons of water. The increase in the cost of purchased water is \$5,388.36, resulting in a purchased water adjustment factor of \$0.02 per 1,000 gallons.

6. The purchased water adjustment factor of \$0.02 per 1,000 gallons is fair, just, and reasonable and should be approved.

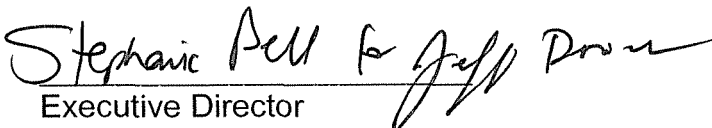
IT IS THEREFORE ORDERED that:

1. Garrard County's proposed rates are approved.
2. The purchased water adjustment factor of \$0.02 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are approved for service rendered on or after September 10, 2011.
4. Garrard County's proposed tariff sheet filed with the application is approved.

By the Commission



ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2011-00291 DATED

**SEP 01 2011**

	New Rate	Base Rate
Lancaster		
Purchases in gallons	269,418,330	269,418,330
Volumetric rate	<u>\$2.01 /1,000</u>	<u>\$ 1.99/1,000</u>
	\$541,530.84	\$536,142.48
Danville		
Purchases in gallons	91,727,010	91,727,010
Volumetric rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Berea		
Purchases in gallons	31,458,636	31,458,636
Volumetric rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
	Increased water cost	\$5,388.36
Increased water cost		\$5,388.36
Divided by gallons sold		<u>315,055,043</u>
Purchased water adjustment factor		\$0.02 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2011-00291 DATED **SEP 01 2011**

The following rates and charges are prescribed for the customers in the area served by Garrard County Water Association, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

Residential, Farm and Small Commercial Connections

5/8" x 3/4" Meter

First	1,000 gallons	\$10.19	Minimum Bill
Next	1,000 gallons	5.29	per 1,000 gallons
Next	1,000 gallons	4.19	per 1,000 gallons
Next	2,000 gallons	3.99	per 1,000 gallons
Over	5,000 gallons	3.69	per 1,000 gallons

Large Commercial, Dairy Farm and School Connections

1" Meter

First	5,000 gallons	\$27.65	Minimum Bill
Over	5,000 gallons	3.69	per 1,000 gallons

1 1/2" Meter

First	10,000 gallons	\$46.10	Minimum Bill
Over	10,000 gallons	3.69	per 1,000 gallons

2" Meter

First	25,000 gallons	\$101.45	Minimum Bill
Over	25,000 gallons	3.69	per 1,000 gallons

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