

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT                    )  
FILING OF GARRARD COUNTY                    ) CASE NO. 2012-00235  
WATER ASSOCIATION, INC.                    )

O R D E R

On June 8, 2012, 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 that, effective with its July 10, 2012 billing, Lancaster's wholesale water rate to Garrard County would increase from \$2.01 per 1,000 gallons to \$2.03 per 1,000 gallons. Garrard County proposes to increase the water rates to its customers effective July 10, 2012.

3. During the 12 months ending April 30, 2012, Garrard County purchased 252,949,447 gallons of water from Lancaster, 98,876,242 gallons from Danville, and 29,186,960 gallons from Berea, for a total purchase of 381,012,649 gallons. It sold

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

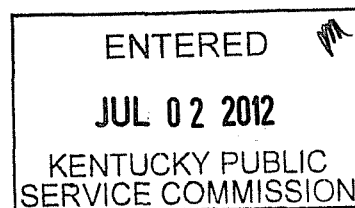
293,741,700 gallons of water. The increase in the cost of purchased water is \$5,058.98, resulting in a purchased water adjustment of \$0.02 per 1,000 gallons.

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

IT IS THEREFORE ORDERED that:

1. The rates proposed by Garrard County are approved.
2. The purchased water adjustment of \$0.02 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for service rendered on or after July 10, 2012.
4. The tariff sheets filed by Garrard County are approved as filed.

By the Commission



ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2012-00235 DATED JUL 02 2012

	New Rate	Base Rate	
Garrard County Water			
Purchases in gallons	252,949,447	252,949,447	
Volumetric rate	<u>\$ 2.03/1,000</u>	<u>\$ 2.01/1,000</u>	
	\$513,487.38	\$ 508,428.39	
		Increased water cost	\$5,058.99
Increased water cost		\$ 5,058.99	
Divided by gallons sold/1,000		<u>293,741,700</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. 2012-00235 DATED JUL 02 2012

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

##### 5/8" X 3/4" Meter

First	1,000 Gallons	\$ 10.25 Minimum Bill
Next	1,000 Gallons	5.35 Per 1,000 Gallons
Next	1,000 Gallons	4.25 Per 1,000 Gallons
Next	2,000 Gallons	4.05 Per 1,000 Gallons
Over	5,000 Gallons	3.75 Per 1,000 Gallons

##### 1" Meter

First	5,000 Gallons	\$ 27.95 Minimum Bill
Over	5,000 Gallons	3.75 Per 1,000 Gallons

##### 1 1/2" Meter

First	10,000 Gallons	\$ 46.70 Minimum Bill
Over	10,000 Gallons	3.75 Per 1,000 Gallons

##### 2" Meter

First	25,000 Gallons	\$102.95 Minimum Bill
Over	25,000 Gallons	3.75 Per 1,000 Gallons

Bulk Sales		\$ 5.25 Per 1,000 Gallons
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