

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MAGOFFIN COUNTY)
WATER DISTRICT FOR A PURCHASED) CASE NO. 2006-00567
WATER ADJUSTMENT)

O R D E R

On December 27, 2006, Magoffin County Water District ("Magoffin District") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

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

1. Magoffin District purchases water from the city of Salyersville ("Salyersville").
2. Salyersville notified Magoffin District that, effective December 22, 2006, Salyersville's wholesale water rate to Magoffin District would increase from \$2.15 per 1,000 gallons for the first 8,000,000 gallons and \$2.30 per 1,000 gallons for anything over 8,000,000 gallons to \$2.30 per 1,000 gallons for the first 8,000,000 gallons and \$2.45 per 1,000 gallons for anything over 8,000,000 gallons.
3. During the 12 months ending November 30, 2006, Magoffin District purchased 192,788,400 gallons from Salyersville and sold 160,227,500 gallons. The increase in the cost of purchased water is \$29,918, resulting in a purchased water adjustment factor of \$0.18 per 1,000 gallons.

4. The purchased water adjustment of \$0.18 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Magoffin District's proposed rates are approved.

2. The purchased water adjustment of \$0.18 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for water service rendered on and after December 22, 2006.

3. The proposed tariff sheets filed by Magoffin District are accepted as filed.

Done at Frankfort, Kentucky, this 12th day of January, 2007.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2006-00567 DATED January 12, 2007.

The following rates and charges are prescribed for the customers in the area served by Magoffin County Water District. 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 Rates

5/8" x 3/4" Meter

First	2,000 gallons	\$14.22	Minimum Bill
Next	3,000 gallons	6.31	per 1,000 gallons
Next	5,000 gallons	5.81	per 1,000 gallons
Over	10,000 gallons	5.31	per 1,000 gallons

1" Meter

First	5,000 gallons	\$33.15	Minimum Bill
Next	5,000 gallons	5.81	per 1,000 gallons
Over	10,000 gallons	5.31	per 1,000 gallons

Commercial Rates

3/4" Meter

First	3,000 gallons	\$25.68	Minimum Bill
Next	2,000 gallons	8.21	per 1,000 gallons
Next	5,000 gallons	7.56	per 1,000 gallons
Next	5,000 gallons	6.91	per 1,000 gallons
Over	15,000 gallons	6.61	per 1,000 gallons

1" Meter

First	5,000 gallons	\$42.10	Minimum Bill
Next	5,000 gallons	7.56	per 1,000 gallons
Next	5,000 gallons	6.91	per 1,000 gallons
Over	15,000 gallons	6.61	per 1,000 gallons

2" Meter

First	15,000 gallons	\$114.45	Minimum Bill
Over	15,000 gallons	6.61	per 1,000 gallons