COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF CALDWELL COUNTY) CASE NO. 2011-00034
WATER DISTRICT)

ORDER

On February 15, 2011, Caldwell County Water District ("Caldwell County") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

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

- 1. Caldwell County purchases water from the city of Princeton ("Princeton").
- 2. Princeton notified Caldwell County, effective January 1, 2011, that Princeton's wholesale water rate to Caldwell County would increase from \$2.37 per 1,000 gallons to \$2.71 per 1,000 gallons.
- 3. On January 25, 2011, Caldwell County's Board of Commissioners voted to place the proposed rates into effect immediately.
- 4. During the 12 months ending November 30, 2010, Caldwell County purchased a total of 103,704,116 gallons of water from Princeton and sold 77,716,727

¹ KRS 278.015; 807 KAR 5:068.

gallons. The increase in the cost of purchased water is \$35,259.40 resulting in a purchased water adjustment of \$0.45 per 1,000 gallons.

- 5. The purchased water adjustment of \$0.45 per 1,000 gallons is fair, just, and reasonable and should be approved.
- 6. Caldwell County's rates, which are set forth in Appendix B, are fair, just, and reasonable and should be approved for water service rendered on or after January 25, 2011.

IT IS THEREFORE ORDERED that:

- 1. The purchased water adjustment of \$0.45 per 1,000 gallons as calculated in Appendix A is approved.
- 2. The rates in Appendix B are approved for water service rendered on or after January 25, 2011.
 - 3. The tariff sheets filed by Caldwell County are approved as filed.

By the Commission

ENTERED MAR 15 2011

KENTUCKY PUBLIC SERVICE COMMISSION

Executive Director

ATTEST

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00034 DATED MAR 1 5 2011

	New Rate	Base Rate	
Caldwell County Water			
Purchases in gallons	103,704,116	103,704,116	
Volumetric rate	\$ 2.71/1,000	\$ 2.37/1,000	
	\$ 281,038.15	\$ 245,778.75	
	Ir	ncreased water cost	\$35,259.40

Increased water cost \$ 35,259.40 Divided by gallons sold Purchased water adjustment factor 77,716,727

\$0.45 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00034 DATED MAR 1 5 2011

The following rates and charges are prescribed for the customers in the area served by Caldwell 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

First	1,000	gallons	\$ \$:	20.71 Minimum Bill
Next	3,000	gallons		10.51 per 1,000 gallons
Next	6,000	gallons		8.46 per 1,000 gallons
Next	20,000	gallons		6.42 per 1,000 gallons
Over	30,000	gallons		5.55 per 1,000 gallons
Leak A	djustmer	nt Rate	\$ \$	2.45 per 1,000 gallons

Dixie Cayce Caldwell County Water District 118 West Market Street Princeton, KY 42445