COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF SHARPSBURG WATER) CASE NO. 2011-00051
DISTRICT)

ORDER

On February 11, 2011, Sharpsburg Water District ("Sharpsburg") 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. Sharpsburg purchases water from Bath County Water District ("Bath District") and the city of Carlisle ("Carlisle").
- 2. Bath District notified Sharpsburg that, effective February 15, 2011, its volumetric wholesale rate to Sharpsburg would increase from \$2.79 per 1,000 gallons to \$2.83 per 1,000 gallons.
- 3. Sharpsburg proposed a purchased water adjustment factor of \$0.04 per 1,000 gallons.
- 4. During the 12 months ending December 31, 2010, Sharpsburg purchased 75,165,000 gallons of water from Bath District and 37,025,700 gallons of water from Carlisle and sold 83,667,100 gallons. The increase in the cost of purchased water is \$3,006.60, resulting in a purchased water adjustment factor of \$0.04 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

5. The purchased water adjustment factor of \$0.04 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

- 1. The purchased water adjustment factor of \$0.04 per 1,000 gallons as calculated in Appendix A is approved.
- 2. The rates in Appendix B, attached hereto and incorporated herein, are approved for water service that Sharpsburg rendered on or after February 15, 2011.
 - 3. Sharpsburg's proposed tariff sheet is approved.

By the Commission

ENTERED MAR 0 9 2011

KENTUCKY PUBLIC SERVICE COMMISSION

W. Vance

Case No. 2011-00051

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00051 DATED MAR 0 9 2011

Poth District	New Rate	Base Rate		
Bath District Purchases in gallons Volumetric rate	75,165,000 \$ 2.83 /1,000 \$212,716.95	75,165,000 \$ 2.79/1,000 \$209,710.35		
Carlisle Purchases in gallons Volumetric rate	37,025,700 No change	37,025,700 No Change		
	Increased water c	ost \$ 3,006.60		

Increased water cost
Divided by gallons sold
Purchased water adjustment factor

\$3,006.60 <u>83,667,100</u> \$0.04 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00051 DATED MAR 0 9 2011

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

5/8" x 3/4" First Next Next Over	2,000 3,000	gallons gallons	\$	5.52 4.90	Minimum Bill per 1,000 gallons per 1,000 gallons per 1,000 gallons
1" Meter First Next Over	•	gallons gallons gallons	\$	4.90	Minimum Bill per 1,000 gallons per 1,000 gallons
2" Meter First Over	16,000 16,000	gallons gallons	\$		Minimum Bill per 1,000 gallons
Schools First Over	50,000 50,000	gallons gallons	\$		Minimum Bill per 1,000 gallons

Ms. Gayle Haney Manager/Distribution Operator Sharpsburg Water District P. O. Box 248 Sharpsburg, KY 40374