

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT            )  
FILING OF SHARPSBURG WATER            ) CASE NO. 2012-00039  
DISTRICT                                        )

ORDER

On February 2, 2012, Sharpsburg Water District ("Sharpsburg") 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. Sharpsburg purchases water from Bath County Water District ("Bath District") and the city of Carlisle ("Carlisle").
2. On January 15, 2012, Bath District increased its volumetric wholesale rate to Sharpsburg from \$2.83 per 1,000 gallons to \$2.91 per 1,000 gallons.<sup>2</sup>
3. On January 11, 2012, Sharpsburg's Board of Commissioners approved the request for a purchased water adjustment to be effective January 15, 2012. Sharpsburg proposes a purchased water adjustment factor of \$0.09 per 1,000 gallons to be applied to its rates.

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> Case No. 2011-000514, Purchased Water Adjustment Filing of Bath County Water District (Ky. PSC Jan. 18, 2012).

4. Sharpsburg's proposed rates, which are set forth in Appendix B to this Order, implement a purchased water adjustment of \$0.09 per 1,000 gallons.

5. During the 12 months ending December 31, 2011, Sharpsburg purchased 81,338,000 gallons of water from Bath District and 38,102,500 gallons of water from Carlisle and sold 76,769,200 gallons of water.

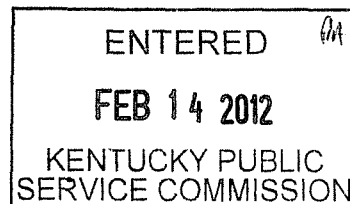
6. The purchased water adjustment factor of \$0.9 per 1,000 gallons is fair, just, and reasonable and should be approved.

7. The rates set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service that Sharpsburg renders on and after January 15, 2012.

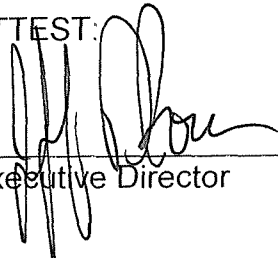
IT IS THEREFORE ORDERED that:

1. Sharpsburg's proposed rates are approved.
2. The purchased water adjustment factor of \$0.09 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 January 15, 2012.
4. Sharpsburg'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. 2012-00039 DATED FEB 14 2012

	New Rate	Base Rate
Bath County WD		
Purchases in gallons	81,338,000	81,338,000
Volumetric rate	<u>\$2.91 /1,000</u>	<u>\$2.83/1,000</u>
	\$236,693.58	\$230,186.54
Carlisle		
Purchases in gallons	38,102,500	38,102,500
Volumetric rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Increased water cost		\$6,507.04
Increased water cost		\$6,507.04
Divided by gallons sold		<u>76,769,200</u>
Purchased water adjustment factor		\$0.08476 or \$0.09 per 1,000 gallons

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00039 DATED **FEB 14 2012**

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" Meter

First	2,000 gallons	\$24.78	Minimum Bill
Next	3,000 gallons	5.90	per 1,000 gallons
Next	5,000 gallons	5.24	per 1,000 gallons
Over	10,000 gallons	4.98	per 1,000 gallons

##### 1" Meter

First	5,000 gallons	\$42.48	Minimum Bill
Next	5,000 gallons	5.24	per 1,000 gallons
Over	10,000 gallons	4.98	per 1,000 gallons

##### 2" Meter

First	16,000 gallons	\$98.56	Minimum Bill
Over	16,000 gallons	4.98	per 1,000 gallons

##### Schools

First	50,000 gallons	\$267.88	Minimum Bill
Over	50,000 gallons	4.98	per 1,000 gallons

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