

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF PENDLETON COUNTY)	2013-00100
WATER DISTRICT)	

ORDER

On March 13, 2013, Pendleton County Water District ("Pendleton") 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. Pendleton purchases water from the city of Falmouth, Kentucky ("Falmouth") and Northern Kentucky Water District ("NKWD").
2. NKWD notified Pendleton that effective February 1, 2013, NKWD's wholesale water rate would increase from \$3.13 per 1,000 gallons to \$3.20 per 1,000 gallons.²
3. Pendleton proposed a purchased water adjustment factor of \$0.05 per 1,000 gallons.
4. Pendleton proposes to place into effect on April 15, 2013 rates to reflect the increased cost of purchased water.

¹ KRS 278.015 ; 807 KAR 5:068.

² See Case No. 2012-00072, Application of Northern Kentucky Water District for an Adjustment of Rates, Issuance of Bonds, and Financing (Ky. PSC Dec. 20, 2012) (approving rates for service effective Jan. 1, 2013).

5. During the 12 months ended December 31, 2012, Pendleton purchased 60,346,280 gallons of water from Falmouth and 84,070,712 gallons of water from NKWD and sold 139,863,633 gallons of water. As a result of the increase in NKWD's wholesale rate, Pendleton's cost of purchased water will increase \$5,884.95, resulting in a purchased water adjustment factor of \$0.05 per 1,000 gallons.

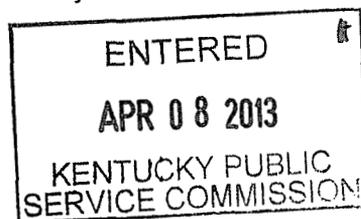
6. The purchased water adjustment factor of \$0.05 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

7. Pendleton's proposed rates, which are set forth in Appendix B to this Order, are fair, just, and reasonable and should be approved for service rendered on and after April 15, 2013.

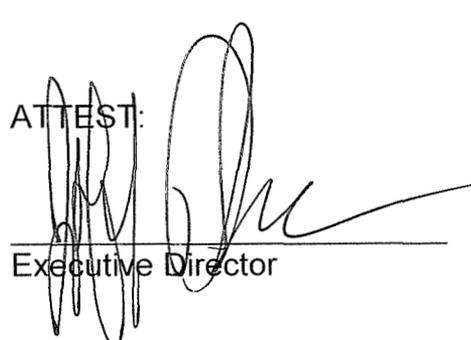
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.05 per 1,000 gallons is approved.
2. Pendleton's proposed rates are approved for service rendered on and after April 15, 2013.
3. Pendleton'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. 2013-00100 DATED APR 08 2013

Falmouth	New Rate No change	Base Rate No change
NKWD		
Purchases in gallons	84,070,712	84,070,712
Volumetric rate	<u>\$ 3.20 / 1,000</u>	<u>\$3.13/ 1,000</u>
	\$ 269,026.28	\$263,141.33

Increased water cost \$ 5,884.95

Increased water cost	\$ 5,884.95
Divided by gallons sold / 1,000	<u>139,863,633</u>
	\$ 0.042

Purchased water adjustment factor \$0.05 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00100 DATED APR 08 2013

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

5/8- x 3/4-Inch Meter through 2-Inch Meter

First 2,000 gallons	\$22.55 Minimum Bill
Next 3,000 gallons	9.76 per 1,000 gallons
Next 10,000 gallons	9.21 per 1,000 gallons
Over 15,000 gallons	8.00 per 1,000 gallons

Pendleton County High

First 125,000 gallons	\$1,024.25 Minimum Bill
Over 125,000 gallons	8.00 per 1,000 gallons

Griffin Industries

First 400,000 gallons	\$3,252.80 Minimum Bill
Over 400,000 gallons	8.00 per 1,000 gallons

City of Butler

First 1,672,917gallons	\$6,584.60 Minimum Bill
Over 1,672,917gallons	3.93 per 1,000 gallons

L. R Faulkner
Jr
Pendleton County Water District
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