

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING) CASE NO.
OF LEVEE ROAD WATER ASSOCIATION) 2013-00254

ORDER

On July 1, 2013, Levee Road Water Association ("Levee Road") 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. Levee Road purchases water from Mount Sterling Water and Sewer System ("Mount Sterling").
2. On July 1, 2013, Mount Sterling increased its volumetric rate to Levee Road from \$2.41 per 1,000 gallons to \$2.46 per 1,000 gallons.²
3. On July 1, 2013 Levee Road adjusted its rates for water service to reflect the increased cost of purchasing water from Mount Sterling. Levee Road used a purchased water adjustment factor of \$0.06 per 1,000 gallons.
4. During the 12 months ended May 31, 2013, Levee Road purchased 51,285,721 gallons of water from Mount Sterling, and sold 44,381,950 gallons of water. As a result of the increase in Mount Sterling's wholesale rate, Levee Road's cost of purchased water will increase \$2,564.29, resulting in a purchased water adjustment factor of \$0.06 per 1,000 gallons.

¹ KRS 278.012; 807 KAR 5:068.

² TFS No. 2013-00393 (filed May 28, 2013); Letter from Dennis Brent Kirtley, Manager, Public Service Commission, to Rick Fletcher, Manager, Mount Sterling Water and Sewer System (July 1, 2013).

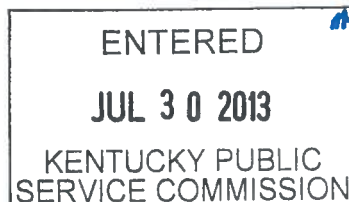
5. The purchased water adjustment factor of \$0.06 per 1,000 gallons as calculated in Appendix A to this Order is fair, just, and reasonable and should be approved.

6. The rates set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service that Levee Road provides on and after July 1, 2013.

IT IS THEREFORE ORDERED that:

1. Levee Road's proposed rates are approved.
2. The purchased water adjustment factor of \$0.06 per 1,000 gallons is approved.
3. The rates set forth in Appendix B, are approved for service that Levee Road rendered on or after July 1, 2013.
4. Within 20 days of the date of this Order, Levee Road shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the approved rates.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00254 DATED **JUL 30 2013**

Mount Sterling	Changed Rate	Base Rate
Purchases in gallons	51,285,721	51,285,721
Volumetric rate	<u>\$ 2.46/ 100</u>	<u>\$ 2.41/ 100</u>
	\$ 126,162.88	\$ 123,598.59
	Increased water cost	\$ 2,564.29
Increased water cost	\$ 2,564.29	
Divided by gallons sold / 1,000	<u>44,381,950</u>	
	\$ 0.0578	
Purchased water adjustment factor		\$0.06 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00254 DATED **JUL 30 2013**

The following rates and charges are prescribed for the customers in the area served by Levee Road Water Association. 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 Rates

First	1,000 Gallons	\$10.95 Minimum Bill
Next	2,000 Gallons	4.55 per 1,000 Gallons
Next	3,000 Gallons	3.85 per 1,000 Gallons
Next	19,000 Gallons	3.10 per 1,000 Gallons
Next	25,000 Gallons	2.75 per 1,000 Gallons
Over	50,000 Gallons	2.45 per 1,000 Gallons
Commercial Water Hauler		4.83 per 1,000 Gallons
Any individual who has a Private Loading Unit		4.83 per 1,000 Gallons
All water purchased from water coin vendor		5.33 per 1,000 Gallons

Brenda Murphy
Secretary/treasurer
Levee Road Water Association, Inc.
4681 Levee Road
Mt. Sterling, KY 40353