

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF PEAKS MILL WATER) CASE NO. 2013-00302
DISTRICT)

ORDER

On July 24, 2013 Peaks Mill Water District ("Peaks Mill") 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. Peaks Mill purchases water from Frankfort Plant Board ("Frankfort") and Kentucky American Water Company ("Kentucky-American").
2. On July 28, 2013, Frankfort increased the Kentucky River Authority fee portion of its wholesale water rate to Peaks Mill from \$0.1079 per 1,000 gallons to \$0.20 per 1,000 gallons.²
3. During the 12 months ended May 31, 2013, Peaks Mill purchased 90,196,200 gallons of water from Frankfort, 718,500 gallons of water from Kentucky-American and sold 57,997,900 gallons.
4. The increase in Peaks Mill's cost of purchased water is \$8,307.07, resulting in a purchased water adjustment factor of \$0.14 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS No. 2013-00503 (Ky. PSC filed June 28, 2013); Letter from Dennis Brent Kirtley, Manager, Public Service Commission, to Hance Price, Staff Attorney, Frankfort Plant Board (July 29, 2013).

5. On July 28, 2013, Peaks Mill increased its rates for water service to reflect its increased cost of purchased water.

6. The purchased water adjustment factor of \$0.14 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

7. Peaks Mill's proposed rates for water service are fair, just, and reasonable and should be approved for service rendered on or after July 28, 2013.

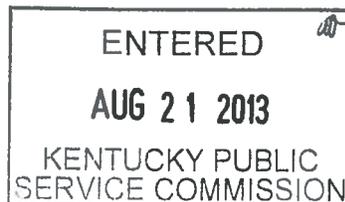
IT IS THEREFORE ORDERED that:

1. The proposed purchased water adjustment factor of \$0.14 per 1,000 gallons is approved.

2. Peaks Mill's proposed rates, which are set forth in Appendix B to this Order, are approved for water service that Peaks Mill renders on or after July 28, 2013.

3. Within 20 days of the date of this Order, Peaks Mill 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. 2013-00302 DATED **AUG 21 2013**

Frankfort	New Rate	Base Rate
Purchases in gallons	90,196,200	90,196,200
KRA Withdrawal Fee	<u>\$ 0.20/1,000</u>	<u>\$0.1079/1,000</u>
	<u>\$ 18,039.24</u>	<u>\$ 9,732.17</u>

Increased water cost \$ 8,307.07

Increased water cost	\$ 8,307.07
Divided by gallons sold / 1,000	<u>57,997,900</u>
	\$ 0.143

Purchased water adjustment factor \$0.14 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00302 DATED **AUG 21 2013**

The following rates and charges are prescribed for the customers in the area served by Peaks Mill 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	2,000 gallons	\$26.20	Minimum Bill
Next	3,000 gallons	8.79	per 1,000 gallons
Next	5,000 gallons	7.57	per 1,000 gallons
Over	10,000 gallons	6.35	per 1,000 gallons

Church Quarles
Peaks Mill Water District
7165 US 127 North
Frankfort, KY 40601