

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF UNION COUNTY WATER DISTRICT) CASE NO. 2004-00515

O R D E R

On December 20, 2004, Union County Water District (“Union County”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Union County purchases water from the city of Morganfield (“Morganfield”).
2. Morganfield notified Union County that, effective with Morganfield’s January 1, 2005 billing, Union County’s wholesale water rate would increase from \$1.0788 per 1,000 gallons to \$1.5020 per 1,000 gallons. Union County proposes to increase the water rates to its customers effective January 15, 2005.
3. On November 15, 2004, Morganfield notified the Commission that, effective for service rendered on and after December 15, 2004, its wholesale water service rate to Union County would increase from \$1.0788 per 1,000 gallons to \$2.19 per 1,000 gallons. Pursuant to KRS 278.180 and 278.190, this proposed rate became effective on December 15, 2004.

4. During the 12 months ending November 30, 2004, Union County purchased 236,236,000 gallons of water and sold 211,987,697 gallons. The increase in the cost of purchased water is \$99,975.08, resulting in a purchased water adjustment of \$0.47 per 1,000 gallons.

5. The purchased water adjustment of \$0.47 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The proposed rates by Union County are approved.
2. The purchased water adjustment of \$0.47 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after January 15, 2005.
3. Within 20 days of the date of this Order, Union County shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 19th day of January, 2005.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2004-00515 DATED JANUARY 19, 2005

The following rates and charges are prescribed for the customers in the area served by Union 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 x 8 Inch Meter

		<u>Rate</u>
First	2,000	\$11.02 Minimum Bill
Next	3,000	5.51 per 1,000 gallons
Next	5,000	5.11 per 1,000 gallons
Next	15,000	4.76 per 1,000 gallons
Next	25,000	4.46 per 1,000 gallons
Next	50,000	4.06 per 1,000 gallons
Next	100,000	3.66 per 1,000 gallons
Next	100,000	3.26 per 1,000 gallons
Over	300,000	2.86 per 1,000 gallons

3/4 Inch Meter

First	5,000	\$27.55 Minimum Bill
Next	5,000	5.11 per 1,000 gallons
Next	15,000	4.76 per 1,000 gallons
Next	25,000	4.46 per 1,000 gallons
Next	50,000	4.06 per 1,000 gallons
Next	100,000	3.66 per 1,000 gallons
Next	100,000	3.26 per 1,000 gallons
Over	300,000	2.86 per 1,000 gallons

1 Inch Meter

First	10,000	\$53.10 Minimum Bill
Next	15,000	4.76 per 1,000 gallons
Next	25,000	4.46 per 1,000 gallons
Next	50,000	4.06 per 1,000 gallons
Next	100,000	3.66 per 1,000 gallons
Next	100,000	3.26 per 1,000 gallons
Over	300,000	2.86 per 1,000 gallons

1 1/2 Inch Meter

First	25,000	\$124.50 Minimum Bill
Next	25,000	4.46 per 1,000 gallons
Next	50,000	4.06 per 1,000 gallons
Next	100,000	3.66 per 1,000 gallons
Next	100,000	3.26 per 1,000 gallons
Over	300,000	2.86 per 1,000 gallons

2 Inch Meter

First	50,000	\$236.00 Minimum Bill
Next	50,000	4.06 per 1,000 gallons
Next	100,000	3.66 per 1,000 gallons
Next	100,000	3.26 per 1,000 gallons
Over	300,000	2.86 per 1,000 gallons

2 1/2 Inch Meter

First	75,000	\$337.50 Minimum Bill
Next	25,000	4.06 per 1,000 gallons
Next	100,000	3.66 per 1,000 gallons
Next	100,000	3.26 per 1,000 gallons
Over	300,000	2.86 per 1,000 gallons

3 Inch Meter

First	100,000	\$439.00 Minimum Bill
Next	100,000	3.66 per 1,000 gallons
Next	100,000	3.26 per 1,000 gallons
Over	300,000	2.86 per 1,000 gallons

4 Inch Meter

First	200,000	\$805.00 Minimum Bill
Next	100,000	3.26 per 1,000 gallons
Over	300,000	2.86 per 1,000 gallons

6 Inch Meter

First	300,000	\$1,131.00 Minimum Bill
Over	300,000	2.86 per 1,000 gallons