

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
OF PEAKS MILL WATER DISTRICT)	2005-00147

O R D E R

On April 1, 2005, Peaks Mill Water District ("Peaks Mill") 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. Peaks Mill purchases water from the Frankfort Electric and Water Plant Board ("Frankfort").
2. Frankfort notified Peaks Mill that, effective with Frankfort's April 19, 2005 billing, Frankfort's wholesale water rate to Peaks Mill would increase from \$1.418 per 1,000 gallons to \$1.539 per 1,000 gallons. Peaks Mill proposes to increase the water rates to its customers effective on and after April 30, 2005.
3. During the 12 months ending December 31, 2004, Peaks Mill purchased 77,632,800 gallons of water from Frankfort and sold 67,803,600 gallons. The increase in the cost of purchased water is \$9,393.57, resulting in a purchased water adjustment of \$0.14 per 1,000 gallons.

4. Peaks Mill miscalculated the commercial rates in its application and those rates should be denied. The commercial rates shown in Appendix A should be approved.

5. The purchased water adjustment of \$0.14 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Peaks Mill's proposed rates are denied.
2. The purchased water adjustment of \$0.14 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 April 30, 2005.
3. Within 20 days of the date of this Order, Peaks Mill shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 26th day of April, 2005.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2005-00147 DATED APRIL 26, 2005

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.

Rates:

5/8" – 1" Meter

First	2,000	gallons	\$15.72 Minimum Bill
Next	1,000	gallons	4.37 per 1,000 gallons
Next	2,000	gallons	3.77 per 1,000 gallons
Over	5,000	gallons	2.57 per 1,000 gallons

1 1/2" – 2" Meter

First	113,000	gallons	\$226.20 Minimum Bill
Over	113,000	gallons	1.85 per 1,000 gallons