

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	
OF EAST CASEY COUNTY WATER)	CASE NO.
DISTRICT)	2006-00018

O R D E R

On January 12, 2006, East Casey County Water District ("East Casey") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068. Because of deficiencies in East Casey's application, the Commission did not accept this application for filing until February 24, 2006.

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

1. East Casey purchases water from the city of Liberty ("Liberty") and the city of Russell Springs.
2. Liberty notified East Casey that, effective November 1, 2005, Liberty's wholesale water rate to East Casey would increase from \$1.80 per 1,000 gallons to \$2.00 per 1,000 gallons.
3. During the 12 months ending December 31, 2005, East Casey purchased 196,948,000 gallons of water from Liberty and sold 168,254,000 gallons. The increase in the cost of purchased water is \$39,390, resulting in a purchased water adjustment of \$0.23 per 1,000 gallons.
4. The purchased water adjustment of \$0.23 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.23 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 March 15, 2006.

2. East Casey's proposed tariff sheets are accepted as filed.

Done at Frankfort, Kentucky, this 22nd day of March, 2006.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00018 DATED March 22, 2006

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

First	2,000 Gallons	\$13.86 Minimum Bill
Next	3,000 Gallons	6.38 Per 1,000 Gallons
Next	5,000 Gallons	6.03 Per 1,000 Gallons
Next	5,000 Gallons	5.73 Per 1,000 Gallons
Next	5,000 Gallons	5.43 Per 1,000 Gallons
Over	20,000 Gallons	4.93 Per 1,000 Gallons