

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT	)	CASE NO.
OF LEVEE ROAD WATER	)	2006-00088
ASSOCIATION	)	

O R D E R

On February 27, 2006, Levee Road Water Association (“Levee Road”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068. Levee Road was notified on March 7, 2006 that the filing was deficient. On March 24, 2006, Levee Road filed information that cured the deficiencies and the application was considered filed.

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

1. Levee Road purchases water from Mt. Sterling Water & Sewer System (“Mt. Sterling”).
2. Mt. Sterling notified Levee Road that, effective October 1, 2005, Mt. Sterling’s wholesale water rate to Levee Road would increase from \$1.73 per 1,000 gallons to \$1.88 per 1,000 gallons
3. During the 12 months ending December 31, 2005, Levee Road purchased 50,586,421 gallons of water from Mt. Sterling and sold 42,745,580 gallons. The increase in the cost of purchased water is \$7,588, resulting in a purchased water adjustment of \$0.18 per 1,000 gallons.

4. The purchased water adjustment of \$0.18 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.18 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 23, 2006.

2. Levee Road's proposed March 1, 2006 effective date is denied.

3. Within 20 days of the date of this Order, Levee Road shall file with the Commission revised tariff sheets showing an effective date of April 23, 2006 and the rates approved herein.

Done at Frankfort, Kentucky, this 24<sup>th</sup> day of April, 2006.

By the Commission

ATTEST:



Executive Director

## APPENDIX A

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00088 DATED April 24, 2006

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 Water Rates

First	1,000 Gallons	\$10.55 Minimum Bill
Next	2,000 Gallons	4.15 Per 1,000 Gallons
Next	3,000 Gallons	3.45 Per 1,000 Gallons
Next	19,000 Gallons	2.70 Per 1,000 Gallons
Next	25,000 Gallons	2.35 Per 1,000 Gallons
Over	50,000 Gallons	2.05 Per 1,000 Gallons
Commercial Hauler		4.43 Per 1,000 Gallons
Water Drop Coin Vendor		4.93 Per 1,000 Gallons