

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
OF CHRISTIAN COUNTY WATER)	2006-00173
DISTRICT)	

O R D E R

On April 27, 2006, Christian County Water District ("Christian County") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068. Christian County was notified on May 8, 2006 that the filing was deficient. On May 16, 2006, Christian County 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. Christian County purchases water from the Hopkinsville Water Environment Authority ("Hopkinsville") and Lake Barkley Water District.
2. In Case No. 2005-00174¹ the Commission approved an increase of Hopkinsville's declining block wholesale water service rates to Christian County effective for service rendered on and after February 9, 2006.
3. During the 12 months ending April 30, 2006, Christian County purchased 464,254,958 gallons of water from Hopkinsville and sold 360,348,004 gallons. The

¹ Case No. 2005-00174, Proposed Adjustment of the Wholesale Water Service Rates of Hopkinsville Water Environment Authority (P.S.C. Ky Feb. 9, 2006).

increase in the cost of purchased water is \$111,041, resulting in a purchased water adjustment of \$0.31 per 1,000 gallons.

4. Christian County erred in its calculation of the purchased water adjustment. Applying the methodology set forth in Administrative Regulation 807 KAR 5:068, Section 2, the correct purchase water adjustment is \$0.31 per 1,000 gallons. Christian County's proposed purchased water adjustment of \$0.36 per 1,000 gallons and proposed rates should be denied.

5. The purchased water adjustment of \$0.31 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.31 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 June 17, 2006.

2. The proposed purchased water adjustment of \$0.36 per 1,000 gallons and Christian County's proposed rates are denied.

3. Within 20 days of the date of this Order, Christian County shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 14th day of June, 2006.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00173 DATED

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

5/8" Meter

First	0	gallons	\$15.00	Minimum bill
All Over	0	gallons	5.06	per 1,000 gallons

1" Meter

First	5,000	gallons	\$40.30	Minimum bill
All Over	5,000	gallons	5.06	per 1,000 gallons

1 1/2" Meter

First	10,000	gallons	\$65.60	Minimum bill
All Over	10,000	gallons	5.06	per 1,000 gallons

2" Meter

First	50,000	gallons	\$268.00	Minimum bill
All Over	50,000	gallons	5.06	per 1,000 gallons

4" Meter

First	100,000	gallons	\$521.00	Minimum bill
All Over	100,000	gallons	5.06	per 1,000 gallons