

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF HENDERSON COUNTY WATER) CASE NO. 2008-00103
DISTRICT)

ORDER

On March 20, 2008, Henderson County Water District ("Henderson 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. Henderson County purchases water from two divisions of Henderson Water Utility - North ("Henderson North"), Henderson Water Utility - South ("Henderson South").

2. On March 1, 2008, Henderson North increased its wholesale rate to Henderson County from \$1.5788 per 1,000 gallons to \$1.6716 per 1,000 gallons and Henderson South increased its wholesale rate from \$1.5190 per 1,000 gallons to \$1.7096 per 1,000 gallons.

3. Henderson County proposes a purchased water adjustment factor of \$0.13 per 1,000 gallons, effective April 1, 2008.

4. During the 12 months ended December 2007, Henderson County purchased 492,940,000 gallons of water from Henderson North, 46,995,000 gallons

from Henderson South, and it sold 424,776,430 gallons. Henderson County miscalculated the increased cost of purchased water in the application; however, this had no material effect on the purchased water adjustment factor. The increase in the cost of purchased water is \$54,702, resulting in a purchased water adjustment factor of \$0.13 per 1,000 gallons.

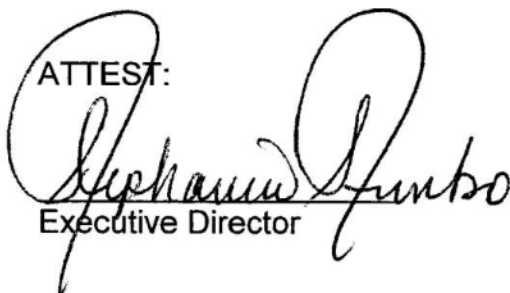
5. The purchased water adjustment factor of \$0.13 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Henderson County are approved.
2. The purchased water adjustment factor of \$0.13 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services on or after April 1, 2008.
4. Within 20 days of the date of this Order, Henderson County shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 15th day of April, 2008.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00103 DATED APRIL 15, 2008

	New Rate	Base Rate
Henderson North		
Purchases in gallons	492,940,000	492,940,000
Volumetric rate	<u>\$ 1.6716 /1,000</u>	<u>\$ 1.5788/1,000</u>
	\$823,998.50	\$ 778,253.67
Henderson South		
Purchases in gallons	46,995,000	46,995,000
Volumetric rate	<u>\$ 1.7096 /1,000</u>	<u>\$ 1.5190/1,000</u>
	\$80,342.65	\$71,385.41
	Increased water cost	\$ 54,702
Increased water cost		\$54,702
Divided by gallons sold		<u>424,776,430</u>
Purchased water adjustment factor		\$0.13 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00103 DATED APRIL 15, 2008

The following rates and charges are prescribed for the customers in the area served by Henderson 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" x 3/4" Meter:

First	2,000 gallons	\$14.61	Minimum Bill
Next	8,000 gallons	4.94	per 1,000 gallons
Next	20,000 gallons	4.47	per 1,000 gallons
Over	30,000 gallons	4.01	per 1,000 gallons

1" Meter:

First	5,000 gallons	\$29.43	Minimum Bill
Next	5,000 gallons	4.94	per 1,000 gallons
Next	20,000 gallons	4.47	per 1,000 gallons
Over	30,000 gallons	4.01	per 1,000 gallons

2" Meter:

First	16,000 gallons	\$80.95	Minimum Bill
Next	14,000 gallons	4.47	per 1,000 gallons
Over	30,000 gallons	4.01	per 1,000 gallons

3" Meter:

First	30,000 gallons	\$143.53	Minimum Bill
Over	30,000 gallons	4.01	per 1,000 gallons

4" Meter:

First	50,000 gallons	\$223.73	Minimum Bill
Over	50,000 gallons	4.01	per 1,000 gallons

6" Meter:

First	100,000 gallons	\$424.23	Minimum Bill
Over	100,000 gallons	4.01	per 1,000 gallons