

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF JESSAMINE)
COUNTY WATER DISTRICT NO. 1 FOR) CASE NO. 2008-00485
A PURCHASED WATER ADJUSTMENT)

O R D E R

On November 24, 2008, Jessamine County Water District No. 1 ("Jessamine District") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

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

1. Jessamine District purchases water from the City of Nicholasville ("Nicholasville").
2. Nicholasville notified Jessamine District, that effective October 4, 2008, Nicholasville's wholesale water rate to Jessamine District would increase from \$1.85 per 1,000 gallons to \$2.14 per 1,000 gallons. Jessamine District proposed to increase the water rates to its customers effective December 15, 2008.
3. During the 12 months ending October 31, 2008, Jessamine District purchased a total of 207,970,650 gallons of water and sold 172,406,326 gallons. The increase in the cost of purchased water is \$60,312, resulting in a purchased water adjustment of \$0.35 per 1,000 gallons.

¹ KRS 278.015 and 807 KAR 5:068.

4. The purchased water adjustment of \$0.35 per 1,000 gallons is fair, just, and reasonable and should be approved.

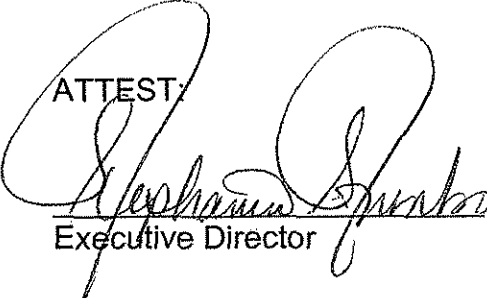
5. Administrative Regulation 807 KAR 5:068, Section 2(2) requires the Commission to apply the purchased water adjustment factor to all of the water district's existing rate schedules. When applied to the rates that Jessamine District had on file with the Commission as of November 24, 2008, the purchased water adjustment factor of \$0.35 produced the rates set forth in Appendix B to this Order.

IT IS THEREFORE ORDERED that:

1. Jessamine District's proposed rates are denied.
2. The purchased water adjustment of \$0.35 per 1,000 gallons as calculated in Appendix A is approved and the rates in Appendix B are fair, just, and reasonable and are approved for services rendered on and after the date of this order.
3. Within 20 days of the date of this Order, Jessamine District shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 22nd day of December, 2008.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00485 DATED DECEMBER 22, 2008

	Base Rate	New Rate
City of Nicholasville		
Purchases in gallons	207,970,650	207,970,650
Wholesale Rate	<u>\$ 1.85/1,000</u>	<u>\$2.14/1,000</u>
	\$384,745	\$445,057
Increased water cost		\$60,312

Increased water cost	\$60,312
Divided by gallons sold	<u>172,406,326</u>
Purchased water adjustment factor	\$0.35 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00485 DATED DECEMBER 22, 2008

The following rates and charges are prescribed for the customers in the area served by Jessamine County Water District No. 1. 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	3,000 gallons	\$ 19.05	Minimum bill
Next	7,000 gallons	4.55	per 1,000 gallons
All Over	10,000 gallons	4.45	per 1,000 gallons

1" Meter

First	5,000 gallons	\$ 28.15	Minimum bill
Next	5,000 gallons	4.55	per 1,000 gallons
All Over	10,000 gallons	4.45	per 1,000 gallons

1 1/2" Meter

First	10,000 gallons	\$ 50.90	Minimum bill
All Over	10,000 gallons	4.45	per 1,000 gallons

2" Meter

First	20,000 gallons	\$ 95.40	Minimum bill
All Over	20,000 gallons	4.45	per 1,000 gallons

Carl Waits
Chairman
Jessamine County Water District #1
200 West Maple Street
Nicholasville, KY 40356