

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF UNION COUNTY)
WATER DISTRICT FOR A PURCHASED) CASE NO. 2009-00027
WATER ADJUSTMENT)

O R D E R

On January 21, 2009, Union County Water District ("Union 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. Union District purchases water from the city of Morganfield ("Morganfield").

2. Morganfield notified Union District that it will decrease its wholesale water rate effective December 31, 2008. Morganfield's wholesale water rate to Union District would decrease from \$1.645 per 1,000 gallons to \$1.3487 per 1,000 gallons. Union District proposes to decrease the water rates to its customers effective December 31, 2008.

3. KRS 278.015 requires a public utility to file its revised tariffs within 20 days after it increases its rates commensurate with its supplier's increase in rates.

¹ KRS 278.015; 807 KAR 5:068

4. Union District's filing of January 21, 2009 was not within 20 days after its December 31, 2008 proposed increase.

5. Union District's application contained a mathematical error in the purchase water factor and subsequently in the computation of the proposed rates.

6. During the 12 months ending November 30, 2008, Union District purchased a total of 270,027,900 gallons of water from Morganfield. The decrease in the cost of purchased water is \$80,009.27, resulting in a purchased water adjustment decrease of \$0.32 per 1,000 gallons.

7. The purchased water adjustment decrease of \$0.32 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Union District's proposed rates are denied.

2. Union District's proposed effective date is denied.

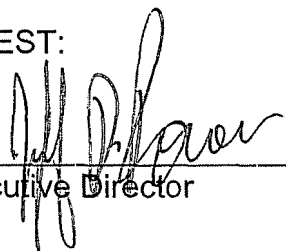
3. The purchased water adjustment decrease of \$0.32 per 1,000 gallons as calculated in Appendix A is approved and the rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after the date of this order.

4. Within 20 days of the date of this Order, Union District shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 12th day of February, 2009.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2009-00027 DATED FEBRUARY 12, 2009

	Base Rate	New Rate
City of Morganfield		
Purchases in gallons	270,027,900	270,027,900
Wholesale Rate	<u>\$1.645/1,000</u>	<u>\$1.3487/1,000</u>
	\$444,195.90	\$364,186.63
	Decreased water cost	\$80,009.27
Decreased water cost		\$80,009.27
Divided by gallons sold		<u>246,593,700</u>
Purchased water adjustment decrease factor		\$0.32 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00027 DATED FEBRUARY 12, 2009

The following rates and charges are prescribed for the customers in the area served by Union 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	2,000	gallons	\$ 10.71	Minimum bill
Next	3,000	gallons	5.35	per 1,000 gallons
Next	5,000	gallons	4.95	per 1,000 gallons
Next	15,000	gallons	4.60	per 1,000 gallons
Next	25,000	gallons	4.30	per 1,000 gallons
Next	50,000	gallons	3.90	per 1,000 gallons
Next	100,000	gallons	3.50	per 1,000 gallons
Next	100,000	gallons	3.10	per 1,000 gallons
All Over	300,000	gallons	2.70	per 1,000 gallons

3/4" Meter

First	5,000	gallons	\$ 26.75	Minimum bill
Next	5,000	gallons	4.95	per 1,000 gallons
Next	15,000	gallons	4.60	per 1,000 gallons
Next	25,000	gallons	4.30	per 1,000 gallons
Next	50,000	gallons	3.90	per 1,000 gallons
Next	100,000	gallons	3.50	per 1,000 gallons
Next	100,000	gallons	3.10	per 1,000 gallons
All Over	300,000	gallons	2.70	per 1,000 gallons

1" Meter

First	10,000	gallons	\$ 51.50	Minimum bill
Next	15,000	gallons	4.60	per 1,000 gallons
Next	25,000	gallons	4.30	per 1,000 gallons
Next	50,000	gallons	3.90	per 1,000 gallons
Next	100,000	gallons	3.50	per 1,000 gallons
Next	100,000	gallons	3.10	per 1,000 gallons
All Over	300,000	gallons	2.70	per 1,000 gallons

1 1/2" Meter

First	25,000	gallons	\$ 120.50	Minimum bill
Next	25,000	gallons	4.30	per 1,000 gallons
Next	50,000	gallons	3.90	per 1,000 gallons
Next	100,000	gallons	3.50	per 1,000 gallons
Next	100,000	gallons	3.10	per 1,000 gallons
All Over	300,000	gallons	2.70	per 1,000 gallons

2" Meter

First	50,000	gallons	\$ 228.00	Minimum bill
Next	50,000	gallons	3.90	per 1,000 gallons
Next	100,000	gallons	3.50	per 1,000 gallons
Next	100,000	gallons	3.10	per 1,000 gallons
All Over	300,000	gallons	2.70	per 1,000 gallons

2 1/2" Meter

First	75,000	gallons	\$ 325.49	Minimum bill
Next	25,000	gallons	3.90	per 1,000 gallons
Next	100,000	gallons	3.50	per 1,000 gallons
Next	100,000	gallons	3.10	per 1,000 gallons
All Over	300,000	gallons	2.70	per 1,000 gallons

3" Meter

First	100,000	gallons	\$ 422.99	Minimum bill
Next	100,000	gallons	3.50	per 1,000 gallons
Next	100,000	gallons	3.10	per 1,000 gallons
All Over	300,000	gallons	2.70	per 1,000 gallons

4" Meter

First	200000	gallons	\$ 772.98	Minimum bill
Next	100,000	gallons	3.10	per 1,000 gallons
All Over	300,000	gallons	2.70	per 1,000 gallons

6" Meter

First	300,000	gallons	\$ 1082.97	Minimum bill
All Over	300,000	gallons	2.70	per 1,000 gallons

Dickie Berry
Manager
Union County Water District
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