

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF HARRISON COUNTY) CASE NO. 2009-00457
WATER ASSOCIATION, INC.)

O R D E R

On November 23, 2009, Harrison County Water Association (“Harrison County”) 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. Harrison County purchases water from the city of Paris, the city of Millersburg, Nicholas County Water District, Kentucky-American Water Company, and the city of Cynthiana (“Cynthiana”).

2. Cynthiana notified Harrison County, effective with its November 1, 2010 billing, that Cynthiana’s wholesale water rate to Harrison County would increase from \$1.85 per 1,000 gallons to \$2.41 per 1,000 gallons. Harrison County proposes to increase the water rates to its customers effective November 1, 2010.

3. During the 12 months ending November 1, 2009, Harrison County purchased a total of 337,609,860 gallons of water from Cynthiana and sold

¹ KRS 278.012; 807 KAR 5:068.

330,775,421 gallons. The increase in the cost of purchased water is \$189,061.49, resulting in a purchased water adjustment of \$0.58 per 1,000 gallons.

4. The rates proposed by Harrison County should be approved.

5. The purchased water adjustment of \$0.58 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

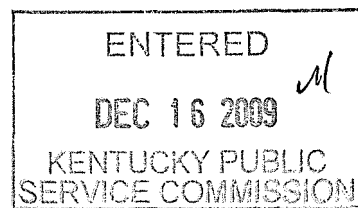
1. The rates proposed by Harrison County are approved.

2. The purchased water adjustment of \$0.58 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 November 1, 2009.²

4. The tariff sheets filed by Harrison County are approved as filed.

By the Commission



ATTEST:



Executive Director

² KRS 278.012 requires a water association increasing its rates pursuant to the purchased water adjustment mechanism to file its revised tariff within 20 days of the effective date of its increase. Although November 23 is more than 20 days after Harrison County's increase of November 1, Harrison County has complied with Kentucky law. The deadline of November 21, 2009 was a Saturday and, pursuant to KRS 446.030, a deadline falling on a Saturday is extended to the next business day. Because November 23, 2009 was the next business day after November 21, 2009, Harrison County met the deadline prescribed by KRS 278.012.

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00457 DATED DEC 16 2009

	New Rate	Base Rate	
Harrison County Water			
Purchases in gallons	337,609,860	337,609,860	
Volumetric rate	<u>\$2.41/1,000</u>	<u>\$1.85/1,000</u>	
	\$813,639.76	\$624,578.24	
		Increased water cost	\$189,061.52
Increased water cost		\$ 189,061.49	
Divided by gallons sold		<u>330,775,421</u>	
Purchased water adjustment factor		\$0.58 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00457 DATED DEC 16 2009

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

5/8" X 3/4" Meter

First 2,000 Gallons	\$16.31 Minimum Bill
Next 1,000 Gallons	6.03 Per 1,000 Gallons
Next 2,000 Gallons	5.87 Per 1,000 Gallons
Next 45,000 Gallons	5.37 Per 1,000 Gallons
Over 50,000 Gallons	4.53 Per 1,000 Gallons

3/4" Meter

First 3,000 Gallons	\$22.34 Minimum Bill
Next 2,000 Gallons	5.87 Per 1,000 Gallons
Next 45,000 Gallons	5.37 Per 1,000 Gallons
Over 50,000 Gallons	4.53 Per 1,000 Gallons

1" Meter

First 5,000 Gallons	\$34.08 Minimum Bill
Next 45,000 Gallons	5.37 Per 1,000 Gallons
Over 50,000 Gallons	4.53 Per 1,000 Gallons

1 1/2" Meter

First 10,000 Gallons	\$60.93 Minimum Bill
Next 40,000 Gallons	5.37 Per 1,000 Gallons
Over 50,000 Gallons	4.53 Per 1,000 Gallons

2" Meter

First 15,000 Gallons	\$87.78 Minimum Bill
Next 35,000 Gallons	5.37 Per 1,000 Gallons
Over 50,000 Gallons	4.53 Per 1,000 Gallons

Bulk Loading Station Water Rates	\$6.58 per 1,000 Gallons
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Honorable Dorothy Jo Mastin
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