

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	
FILING OF MORGAN COUNTY WATER)	CASE NO. 2010-00213
DISTRICT)	

O R D E R

On May 28, 2010, Morgan County Water District ("Morgan 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. Morgan County purchases water from West Liberty Waterworks ("West Liberty") and from Cave Run Water Commission ("Cave Run").
2. West Liberty notified Morgan County that it would increase its wholesale water rates effective June 1, 2010. West Liberty's wholesale water rate to Morgan County would increase from \$2.55 per 1,000 gallons to \$2.67 per 1,000 gallons. Morgan County proposes to increase the water rates to its customers effective June 1, 2010.
3. During the 12 months ending April 30, 2010, Morgan County purchased a total of 104,642,000 gallons of water from West Liberty and a total of 95,350,000 gallons of water from Cave Run and sold a total of 138,675,470 gallons of water. The increase in the cost of purchased water is \$12,557.04, resulting in a purchased water adjustment of \$0.09 per 1,000 gallons.

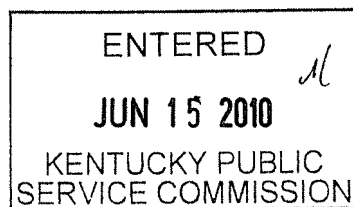
¹ KRS 278.015; 807 KAR 5:068.

4. A purchased water adjustment of \$0.09 per 1,000 gallons is fair, just, and reasonable.

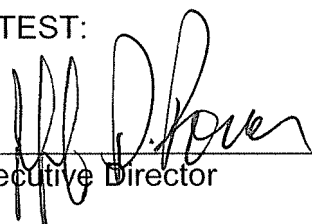
IT IS HEREBY ORDERED that:

1. Morgan County's proposed rates are approved.
2. The purchased water adjustment increase of \$0.09 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 June 1, 2010.
3. The tariff sheets filed by Morgan County in the application are approved.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00213 DATED JUN 15 2010

	Base Rate	New Rate
Morgan County Water District		
Purchases in gallons		
West Liberty Waterworks	104,642,000	104,642,000
Volumetric Rate	\$2.55/1,000	\$2.67/1,000
	\$266,837.10	\$279,394.14
Cave Run Water Comm.	95,350,000	
Volumetric Rate	NO CHANGE	
	Increased water cost	\$12,557.04
Increased water cost		\$12,557.04
Divided by gallons sold		<u>138,675,470</u>
Purchased water adjustment increase factor		\$0.09 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00213 DATED JUN 15 2010

The following rates and charges are prescribed for the customers in the area served by Morgan 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	\$ 20.59	Minimum Bill
Next	3,000 gallons	7.42	per 1,000 gallons
Next	5,000 gallons	6.82	per 1,000 gallons
Next	5,000 gallons	6.22	per 1,000 gallons
Over	15,000 gallons	5.62	per 1,000 gallons

1" Meter

First	5,000 gallons	\$ 42.95	Minimum Bill
Next	5,000 gallons	6.82	per 1,000 gallons
Next	5,000 gallons	6.22	per 1,000 gallons
Over	15,000 gallons	5.62	per 1,000 gallons

2" Meter

First	15,000 gallons	\$ 107.15	Minimum Bill
Over	15,000 gallons	5.62	per 1,000 gallons

Wholesale Rate

City of Campton	\$ 2.94	per 1,000 gallons
City of Frenchburg	\$ 2.94	per 1,000 gallons

Cindy Montgomery
Manager
Morgan County Water District
408 Prestonsburg Street
West Liberty, KY 41472