

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT	)	CASE NO.
FILING OF JUDY WATER ASSOCIATION	)	2010-00428

O R D E R

On November 3, 2010, Judy Water Association ("Judy Water") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

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

1. Judy Water purchases water from the cities of North Middletown ("North Middletown") and Mount Sterling.

2. North Middletown notified Judy Water, effective October 31, 2010, that North Middletown's wholesale water rate to Judy Water would increase from \$3.62 per thousand gallons for the first two million gallons and \$3.72 per thousand gallons for over two million gallons, to \$5.54 per thousand gallons for the first two million gallons and \$5.64 per thousand gallons for over two million gallons.

On October 29, 2010 Judy Water's Board of Directors authorized an increase in Judy Water's water rates commensurate with the increase in North Middletown's rates, effective October 31, 2010.

3. During the 12 months ending October 31, 2010, Judy Water purchased a total of 44,062,000 gallons of water from North Middletown and 109,730,900 gallons from Mount Sterling, and sold 137,979,400 gallons. The increase in the cost of

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

purchased water is \$84,599.04, resulting in a purchased water adjustment of \$0.62 per 1,000 gallons.

4. The purchased water adjustment of \$0.62 per 1,000 gallons is fair, just, and reasonable and should be approved.

5. Judy Water miscalculated the minimum bill for customers connected to the Bourbon County Water Line Extension who are assessed a surcharge. The minimum bill for these customers should be \$29.31.

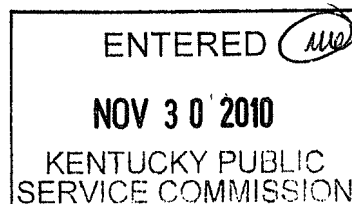
IT IS THEREFORE ORDERED that:

1. The rates proposed by Judy Water are approved.  
2. The purchased water adjustment of \$0.62 per 1,000 gallons as calculated in Appendix A is approved.

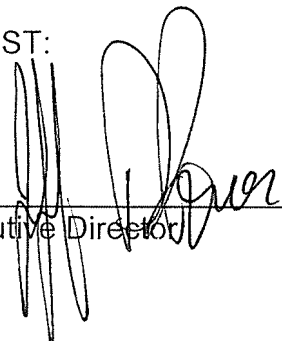
3. The rates in Appendix B are approved for water service rendered on or after October 31, 2010.

4. Within 20 days of the date of this Order, Judy Water shall file a revised tariff with the Commission reflecting the rates approved herein.

By the Commission



ATTEST:

  
\_\_\_\_\_  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
 COMMISSION IN CASE NO. 2010-00428 DATED **NOV 30 2010**

OLD RATES				
	BILLS	GALLONS	RATE/ 1,000	REVENUE
FIRST	2,000,000	12 24,000,000	\$3.62	\$86,880.00
OVER	2,000,000	20,062,000	3.72	74,630.64
TOTAL		12 44,062,000		\$161,510.64

NEW RATES				
	BILLS	GALLONS	RATE/ 1,000	REVENUE
FIRST	2,000,000	12 24,000,000	\$5.54	\$132,960.00
OVER	2,000,000	20,062,000	5.64	113,149.68
TOTAL		12 44,062,000		\$246,109.68

Increased water cost \$84,599.04

Increased water cost	\$ 84,599.04
Divided by gallons sold	<u>137,979,400</u>
Purchased water adjustment factor	\$0.62 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2010-00428 DATED **NOV 30 2010**

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

First	1,000 Gallons	\$ 12.54 Minimum Bill
Next	4,000 Gallons	8.17 Per 1,000 Gallons
Next	5,000 Gallons	7.27 Per 1,000 Gallons
Over	10,000 Gallons	6.37 Per 1,000 Gallons

Bourbon County Water Line Extension Customers \$29.31 Minimum Bill

Billy Ray Fawns  
Secretary / Treasurer  
Judy Water Association, Inc.  
P. O. Box 781  
Mt. Sterling, KY 40353-0781