COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF U.S. 60 WATER DISTRICT) CASE NO. 2011-00123

ORDER

On April 4, 2011, U.S. 60 Water District ("U.S. 60 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. U.S. 60 District purchases water from Frankfort Electric and Water Plant Board ("Frankfort").
- 2. On March 16, 2011, the Commission authorized Frankfort to adjust its volumetric wholesale rate to U.S. 60 District from \$1.704 per 1,000 gallons to \$1.81 per 1,000 gallons effective April 1, 2011.²
- 3. On February 15, 2011, U.S. 60 District's Board of Commissioners adopted a resolution to increase its rates commensurate with Frankfort's rates effective the date of Frankfort's rate increase.
- 4. U.S. 60 District proposes a purchased water adjustment factor of \$0.13 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2010-00485, Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board (Ky. PSC Mar. 16, 2011).

- 5. During the 12 months ended December 31, 2010, U.S. 60 District purchased 183,917,300 gallons of water from Frankfort and it sold 155,739,585 gallons. The increase in the cost of purchased water is \$19,495.23 resulting in a purchased water adjustment factor of \$0.13 per 1,000 gallons.
- 6. The purchased water adjustment factor of \$0.13 per 1,000 gallons is fair, just, and reasonable and should be approved.
 - 7. The proposed rates are fair, just, and reasonable.

IT IS THEREFORE ORDERED that:

- 1. U.S. 60 District's proposed rates are approved.
- 2. The purchased water adjustment factor of \$0.13 per 1,000 gallons as calculated in Appendix A is approved.
- 3. The rates in Appendix B for service rendered on or after April 1, 2011 are approved.
- 4. U.S. 60 District's proposed tariff sheet filed with the application, showing the rates approved herein, is approved.

By the Commission

ENTERED (MAY 03 2011

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00123 DATED MAY 0 3 2011

	New Rate	Base Rate
Frankfort		
Purchases in gallons	183,917,300	183,917,300
Volumetric rate	\$ 1.81/1,000	\$ 1.704/1,000
	\$332,890.31	\$313,395.08

Increased water cost \$19,495.23

Increased water cost \$ 19,495.23 Divided by gallons sold \$ 155,739,585

Purchased water adjustment factor \$ 0.13 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00123 DATED MAY 0 3 2011

The following rates and charges are prescribed for the customers in the area served by U.S. 60 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	1,000	gallons	\$	13.25	Minimum Bill
Next	2,000	gallons		6.80	per 1,000 gallons
Next	2,000	gallons		5.54	per 1,000 gallons
Over	5,000	gallons		4.93	per 1,000 gallons
1" Meter					
First	5,000	gallons	\$	37.93	Minimum Bill
Over	5,000	gallons		4.93	per 1,000 gallons
<u>2" Met</u>	<u>ter</u>				
First	25,000	gallons	\$	136.53	
Over	25,000	gallons		4.93	per 1,000 gallons
Bulk User Rate					
First		gallons	\$	3.09	Minimum Bill
Over	1,000	gallons		3.09	per 1,000 gallons
Wholesale Water Rate					
	-	gallons	\$	136.53	
Over	25,000	gallons		4.93	per 1,000 gallons

William Eggen Chairman U. S. 60 Water District of Shelby and Franklin P. O. Box 97 Bagdad, KY 40003