

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF FOUNTAIN RUN WATER DISTRICT) CASE NO. 2011-00282

ORDER

On July 28, 2011, Fountain Run Water District ("Fountain Run") 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. Fountain Run purchases water from the city of Glasgow ("Glasgow") and Monroe County Water District ("Monroe District").
2. On July 1, 2009, Glasgow increased its volumetric wholesale rate to Fountain Run from \$1.75 per 1,000 gallons to \$1.95 per 1,000 gallons.
3. On January 1, 2011, Monroe District increased its volumetric wholesale rate to Fountain Run from \$1.49 per 1,000 gallons to \$1.67 per 1,000 gallons.²
4. Fountain Run proposes a purchased water adjustment factor of \$0.23 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2010-00480, Purchased Water Adjustment Filing of Monroe County Water District (Ky. PSC Jan. 3, 2011).

5. During the 12 months ending June 30, 2011, Fountain Run purchased 46,055,700 gallons of water from Glasgow; 909,900 gallons of water from Monroe District and sold 42,224,400 gallons of water.

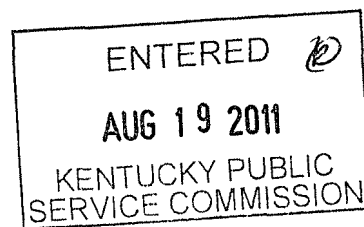
6. The purchased water adjustment factor of \$0.23 per 1,000 gallons is fair, just, and reasonable and should be approved.

7. The rates set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service that Fountain Run renders on and after September 1, 2011.

IT IS THEREFORE ORDERED that:

1. Fountain Run's proposed rates are approved.
2. The purchased water adjustment factor of \$0.23 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are approved for service rendered on or after September 1, 2011.
4. Fountain Run's proposed tariff sheet filed with the application is approved.

By the Commission



ATTEST:

Jason D. Greenwell for
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00282 DATED **AUG 19 2011**

	New Rate	Base Rate
Glasgow		
Purchases in gallons	46,055,700	46,055,700
Volumetric rate	<u>\$1.95 /1,000</u>	<u>\$1.75/1,000</u>
	\$ 89,808.62	\$80,597.48
Monroe District		
Purchases in gallons	909,900	909,900
Volumetric rate	<u>\$1.67 /1,000</u>	<u>\$1.49/1,000</u>
	\$1,519.53	\$1,355.75
Increased water cost		\$9,374.92
Increased water cost		\$9,374.92
Divided by gallons sold		<u>42,224,400</u>
Purchased water adjustment factor		\$0.23 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00282 DATED **AUG 19 2011**

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

First	2,000 gallons	\$16.72	Minimum Bill
Next	3,000 gallons	5.84	per 1,000 gallons
Next	5,000 gallons	5.43	per 1,000 gallons
Next	10,000 gallons	4.66	per 1,000 gallons
Over	20,000 gallons	3.98	per 1,000 gallons

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