

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF SOUTHERN MADISON) CASE NO. 2011-00449
WATER DISTRICT)

O R D E R

On November 15, 2011, Southern Madison Water District (“Southern Madison”) 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. Southern Madison purchases water from Berea Municipal Utilities (“Berea”).
2. Effective November 10, 2011, Berea increased its rate for wholesale water service to Southern Madison from \$2.172 per 1,000 gallons to \$2.502 per 1,000 gallons.
3. On October 13, 2011, Southern Madison’s Board of Commissioners approved an increase in Southern Madison’s rates for water service that is commensurate with the increase in Berea’s wholesale rate.
4. During the 12 months ending August 31, 2011, Southern Madison purchased a total of 332,616,300 gallons of water from Berea and sold 274,837,000

¹ KRS 278.015; 807 KAR 5:068.

gallons. The increase in the cost of purchased water is \$109,763.38, resulting in a purchased water adjustment of \$0.40 per 1,000 gallons.

5. Southern Madison's proposed rates should be approved.

6. The purchased water adjustment of \$0.40 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

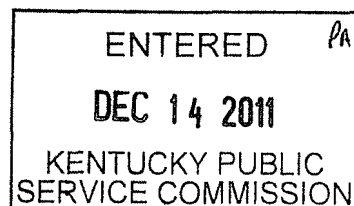
1. Southern Madison's proposed rates are approved.

2. The purchased water adjustment of \$0.40 per 1,000 gallons as calculated in Appendix A is approved.

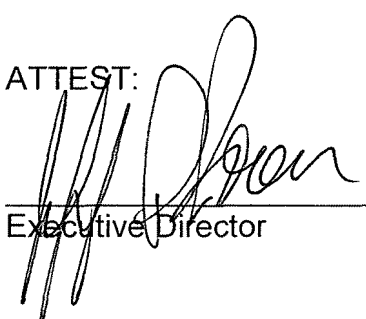
3. The rates in Appendix B are approved for service rendered on or after November 10, 2011.

4. Within 20 days of the date of this Order, Southern Madison shall file revised tariff sheets with the Commission that set forth the approved rates and are signed by a Southern Madison officer authorized to issue tariffs.

By the Commission



ATTEST:



Executive Director

APPENDIX A **DEC 14 2011**

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00449 DATED

	New Rate	Base Rate	
Southern Madison			
Purchases in gallons	332,616,300	332,616,300	
Volumetric rate	<u>\$2.502/1,000</u>	<u>\$2.172/1,000</u>	
	\$ 832,205.98	\$ 722,442.60	
		Increased water cost	\$109,763.38
Increased water cost		\$ 109,763.38	
Divided by gallons sold		<u>274,837,000</u>	
Purchased water adjustment factor		\$0.40 per 1,000 gallons	

APPENDIX B **DEC 14 2011**

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00449 DATED

The following rates and charges are prescribed for the customers in the area served by Southern Madison 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 Rates

First	2,000	Gallons	\$ 12.726 Minimum Bill
Next	1,000	Gallons	6.273 Per 1,000 Gallons
Next	3,000	Gallons	5.863 Per 1,000 Gallons
Next	4,000	Gallons	5.403 Per 1,000 Gallons
Next	15,000	Gallons	4.523 Per 1,000 Gallons
Next	25,000	Gallons	4.223 Per 1,000 Gallons
Over	50,000	Gallons	3.673 Per 1,000 Gallons

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