COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF BATH COUNTY WATER) CASE NO. 2011-00514
DISTRICT)

ORDER

On December 21, 2011, Bath County Water District ("Bath 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. Bath County purchases water from the Mt. Sterling Water & Sewer System ("Mt. Sterling"), and Morehead Utility Plant Board ("Morehead").
- 2. Mt. Sterling notified Bath County that, effective May 1, 2011, Mt. Sterling's wholesale water rate to Bath County would increase from \$2.07 per 1,000 gallons to \$2.34 per 1,000 gallons. Morehead notified Bath County that, effective January 1, 2012, Morehead's wholesale water rate to Bath County would increase from \$1.03 per 1,000 gallons to \$1.087 per 1,000 gallons.
- 3. Bath County proposes to increase the water rates to its customers effective January 15, 2012.
- 4. During the 12 months ending November 30, 2011, Bath County purchased a total of 24,050,000 gallons of water from Mt. Sterling and 372,810,000

¹ KRS 278.015; 807 KAR 5:068.

gallons of water from Morehead, and sold 358,127,000 gallons. The increase in the cost of purchased water is \$27,743.67, resulting in a purchased water adjustment of \$0.08 per 1,000 gallons.

- 5. Bath County's proposed rates are fair, just, and reasonable and should be approved.
- 6. The purchased water adjustment of \$0.08 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

- 1. Bath County's proposed rates are approved.
- 2. The purchased water adjustment of \$0.08 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 January 15, 2012.
 - 4. The tariff sheets filed by Bath County are approved.

By the Commission

ENTERED

JAN 18 2012

KENTUCKY PUBLIC SERVICE COMMISSION

ATTES

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00514 DATED JAN 18 2012

	New Rate	Base Rate
Mt. Sterling Water Purchases in gallons	24,050,000	24,050,000
Volumetric rate	\$2.34/1,000	\$2.07/1,000
	\$ 56,277.00	\$ 49,783.50
Morehead Utility		
Purchases in gallons	372,810,000	372,810,000
Volumetric rate	\$1.087/1,000	\$ 1.03/1,000
	\$ 405,244.47	\$383,994.30

Total increased water cost \$27,743.67

Increased water cost
Divided by gallons sold
Purchased water adjustment factor

\$ 27,743.67 358,127,000

\$0.08 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00514 DATED JAN 1 8 2012

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

5/8" X 3/4" Meters						
First	2,000	Gallons	\$	14.11 Minimum Bill		
	3,000			5.38 Per 1,000 Gallons		
Next	5,000			4.08 Per 1,000 Gallons		
Next	•	Gallons		3.48 Per 1,000 Gallons		
Next	•	Gallons		3.28 Per 1,000 Gallons		
Over	50,000	Gallons		3.18 Per 1,000 Gallons		
1" Meters						
First		Gallons	\$	50.65 Minimum Bill		
Next	10,000	Gallons		3.48 Per 1,000 Gallons		
Next	30,000	Gallons		3.28 Per 1,000 Gallons		
Over	50,000	Gallons		3.18 Per 1,000 Gallons		
2" Meters						
First		Gallons	\$	183.85 Minimum Bill		
Over	50,000	Gallons		3.18 Per 1,000 Gallons		
Leak Adjustment Rate			\$	2.47 Per 1,000 Gallons		
Wholesale Water Rates						
Sharpsburg Water District			\$	2.91 Per 1,000 Gallons		
City of Frenchburg			\$	2.50 Per 1,000 Gallons		
•	Owingsv		•	4 700 04 841 to the D'II		
Monthly Debt Service Payment			\$			
All (Jsage			2.07 Per 1,000 Gallons		
Bulk S	ales		\$	7.52 Per 1,000 Gallons		

Sherri Greene Bath County Water District 21 Church Street P. O. Box 369 Salt Lick, KY 40371