COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF WESTERN PULASKI) CASE NO. 2012-00238
COUNTY WATER DISTRICT)

ORDER

On June 11, 2012, Western Pulaski County Water District ("Western Pulaski District") tendered its application for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹ Its application did not comply with 807 KAR 5:068 and was not accepted for filing until June 21, 2012, when Western Pulaski District supplemented and revised its original filing.

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

- 1. Western Pulaski District purchases water from the city of Somerset, Kentucky ("Somerset").
- 2. Somerset notified Western Pulaski District that, on August 1, 2012, Somerset would increase its volumetric wholesale rate to Western Pulaski District from \$2.00 per 1,000 gallons to \$2.50 per 1,000 gallons.
- 3. Western Pulaski District proposes to apply a purchased water adjustment factor of \$0.82 per 1,000 gallons to its rates.
 - 4. Western Pulaski District proposes to adjust its rates on August 1, 2012.

¹ KRS 278.015; 807 KAR 5:068.

- 5. During the 12 months ending May 31, 2012, Western Pulaski District purchased 574,457,500 gallons of water from Somerset. It sold 351,493,247 gallons of water during the same period.
- 6. The purchased water adjustment factor of \$0.82 per 1,000 gallons is fair, just, and reasonable and should be approved.
- 7. Western Pulaski District failed to apply the purchased water adjustment factor to its Leak Adjustment Rate.
- 8. The rates set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service that Western Pulaski District renders on and after August 1, 2012.

IT IS THEREFORE ORDERED that:

- 1. Western Pulaski District's proposed rates are approved.
- 2. The purchased water adjustment factor of \$0.82 per 1,000 gallons as calculated in Appendix A is approved.
- 3. The rates in Appendix B are approved for service that Western Pulaski District renders on or after August 1, 2012.
- 4. Within 20 days of the date of this Order, Western Pulaski District shall file with the Commission revised tariff sheets showing the rates approved herein.

By the Commission

ENTERED

JUL 23 2012

KENTUCKY PUBLIC
SERVICE COMMISSION

Executive Director

Case No. 2012-00238

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00238 DATED 23 2012

	New Rate	Base Rate	
Somerset			
Purchases in gallons	574,457,500	574,457,500	
Volumetric rate	\$ 2.50/1,000	\$ 2.00/1,000	
	\$1,436,143.75	\$1,148,915.00	
Increased water cost		\$287,228.75	
Increased water cost		\$287,228.75	
Divided by gallons sold/1,000		<u>351,493,247</u>	
Purchased water adjustment factor		\$0.8171	
•		or \$0.82 per 1,000 gallons	3

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00238 DATED JUL 2 3 2012

The following rates and charges are prescribed for the customers in the area served by Western Pulaski 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 First Over	/4" <u>Meter</u> 2,000 gallons 2,000 gallons		Minimum Bill per 1,000 gallons
1" Mete First Over	10,000 gallons	•	Minimum Bill per 1,000 gallons
1 1/2" M First Over	15,000 gallons	•	Minimum Bill per 1,000 gallons
2" Mete First Over	20,000_gallons	•	Minimum Bill per 1,000 gallons
3" Mete First Over		•	Minimum Bill per 1,000 gallons
Leak Ad	ljustment Rate	4.02	per 1,000 gallons

Don Calder Chairman Western Pulaski County Water District 1059 West Highway 80 Somerset, KY 42503