COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	
FILING OF MORGAN COUNTY WATER)	CASE NO. 2010-00213
DISTRICT)	

ORDER

On May 28, 2010, Morgan County Water District ("Morgan 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:

- Morgan County purchases water from West Liberty Waterworks ("West Liberty") and from Cave Run Water Commission ("Cave Run").
- 2. West Liberty notified Morgan County that it would increase its wholesale water rates effective June 1, 2010. West Liberty's wholesale water rate to Morgan County would increase from \$2.55 per 1,000 gallons to \$2.67 per 1,000 gallons. Morgan County proposes to increase the water rates to its customers effective June 1, 2010.
- 3. During the 12 months ending April 30, 2010, Morgan County purchased a total of 104,642,000 gallons of water from West Liberty and a total of 95,350,000 gallons of water from Cave Run and sold a total of 138,675,470 gallons of water. The increase in the cost of purchased water is \$12,557.04, resulting in a purchased water adjustment of \$0.09 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

4. A purchased water adjustment of \$0.09 per 1,000 gallons is fair, just, and reasonable.

IT IS HEREBY ORDERED that:

- 1. Morgan County's proposed rates are approved.
- 2. The purchased water adjustment increase of \$0.09 per 1,000 gallons as calculated in Appendix A is approved and the rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after June 1, 2010.
 - 3. The tariff sheets filed by Morgan County in the application are approved.

By the Commission

ENTERED

JUN 15 2010

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00213 DATED $\,$ JUN $\,1\,\,5\,$ 2010

	Base Rate	New Rate					
Morgan County Water District							
Purchases in gallons West Liberty Waterworks Volumetric Rate	104,642,000 \$2.55/1,000	104,642,000 \$2.67/1,000					
	\$266,837.10	\$279,394.14					
Cave Run Water Comm. Volumetric Rate	95,350,000 NO CHANGE						
Increased	d water cost	\$12,557.04					
Increased water cost Divided by gallons sold			12,557.04 8 <u>,675,470</u>				
Purchased water adjustmen	t increase factor	\$	0.09 per 1,000 gallons				

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00213 DATED JUN 1 5 2010

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

<u>5/8" x 3</u>	3/4" Mete	<u>er</u>			
First	2,000	gallons	\$;	20.59 Minimum Bill
Next	3,000	gallons			7.42 per 1,000 gallons
Next	5,000	gallons			6.82 per 1,000 gallons
Next	5,000	gallons			6.22 per 1,000 gallons
Over	15,000	gallons			5.62 per 1,000 gallons
<u>1" Met</u>					
First	5,000	gallons	\$	5	42.95 Minimum Bill
Next	5,000	gallons			6.82 per 1,000 gallons
Next	5,000	gallons			6.22 per 1,000 gallons
Over	15,000	gallons			5.62 per 1,000 gallons
<u>2" Met</u>					07.47.14.1
First	,	-	\$	5 1	07.15 Minimum Bill
Over	15,000	gallons			5.62 per 1,000 gallons
	sale Rate	-	rt.		2.04 1.000 gollong
City of Campton			\$) `	2.94 per 1,000 gallons
City of	Frenchb	urg	\$)	2.94 per 1,000 gallons

Cindy Montgomery Manager Morgan County Water District 408 Prestonsburg Street West Liberty, KY 41472