

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF GRAYSON COUNTY WATER) CASE NO. 2011-00049
DISTRICT)

ORDER

On February 10, 2011, Grayson County Water District (“Grayson”) 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. Grayson produces water at its treatment facilities and purchases water from the City of Leitchfield (“Leitchfield”).

2. Leitchfield notified Grayson that, effective February 17, 2011, its volumetric wholesale rate to Grayson would increase from \$1.946 per 1,000 gallons to \$2.031 per 1,000 gallons.

3. Grayson misstated the base rate charged by Leitchfield in the application. Grayson calculated the purchased water adjustment factor using the correct base rate of \$1.946 per 1,000 gallons.

4. Grayson proposed a purchased water adjustment factor of \$0.04 per 1,000 gallons.

5. During the 12 months ending December 31, 2010, Grayson purchased 171,880,000 gallons of water from Leitchfield and sold 355,495,968 gallons. The

¹ KRS 278.015; 807 KAR 5:068.

increase in the cost of purchased water is \$14,609.80, resulting in a purchased water adjustment factor of \$0.04 per 1,000 gallons.

6. Grayson proposed an effective date of March 17, 2011.

7. The purchased water adjustment factor of \$0.04 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

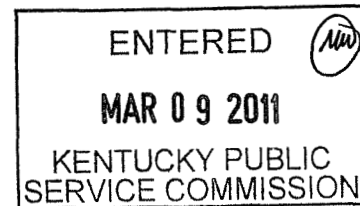
1. The rates proposed by Grayson are approved.

2. The purchased water adjustment factor of \$0.04 per 1,000 gallons as calculated in Appendix A is approved.

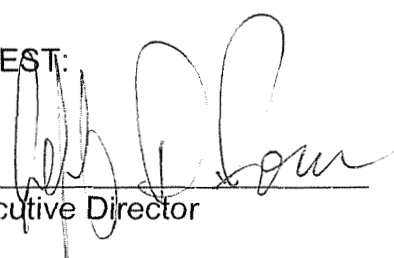
3. The rates in Appendix B are approved for water service rendered on or after March 17, 2011.

4. Grayson's proposed tariff sheet filed with the application, showing the rates approved herein, is approved.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00049 DATED **MAR 09 2011**

	New Rate	Base Rate
Leitchfield		
Purchases in gallons	171,880,000	171,880,000
Volumetric rate	<u>\$2.031 /1,000</u>	<u>\$1.946/1,000</u>
	\$349,088.28	\$ 334,478.48
	Increased water cost	\$ 14,609.80
Increased water cost		\$14,609.80
Divided by gallons sold		<u>355,495,968</u>
Purchased water adjustment factor		\$0.04 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00049 DATED **MAR 09 2011**

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

5/8" x 3/4" Meter

First	1,500 gallons	\$17.01	Minimum Bill
Next	8,500 gallons	8.09	per 1,000 gallons
Next	40,000 gallons	7.26	per 1,000 gallons
Next	100,000 gallons	6.43	per 1,000 gallons
Over	150,000 gallons	5.63	per 1,000 gallons

3/4" Meter

First	3,000 gallons	\$29.15	Minimum Bill
Next	7,000 gallons	8.09	per 1,000 gallons
Next	40,000 gallons	7.26	per 1,000 gallons
Next	100,000 gallons	6.43	per 1,000 gallons
Over	150,000 gallons	5.63	per 1,000 gallons

1" Meter

First	5,000 gallons	\$45.32	Minimum Bill
Next	5,000 gallons	8.09	per 1,000 gallons
Next	40,000 gallons	7.26	per 1,000 gallons
Next	100,000 gallons	6.43	per 1,000 gallons
Over	150,000 gallons	5.63	per 1,000 gallons

1 1/2" Meter

First	10,000 gallons	\$85.75	Minimum Bill
Next	40,000 gallons	7.26	per 1,000 gallons
Next	100,000 gallons	6.43	per 1,000 gallons
Over	150,000 gallons	5.63	per 1,000 gallons

2" Meter

First	16,000 gallons	\$129.30	Minimum Bill
Next	34,000 gallons	7.26	per 1,000 gallons
Next	100,000 gallons	6.43	per 1,000 gallons
Over	150,000 gallons	5.63	per 1,000 gallons

3" Meter

First	30,000 gallons	\$230.90	Minimum Bill
Next	20,000 gallons	7.26	per 1,000 gallons
Next	100,000 gallons	6.43	per 1,000 gallons
Over	150,000 gallons	5.63	per 1,000 gallons

4" Meter

First	50,000 gallons	\$376.06	Minimum Bill
Next	100,000 gallons	6.43	per 1,000 gallons
Over	150,000 gallons	5.63	per 1,000 gallons

6" Meter

First	100,000 gallons	\$697.59	Minimum Bill
Next	50,000 gallons	6.43	per 1,000 gallons
Over	150,000 gallons	5.63	per 1,000 gallons

8" Meter

First	150,000 gallons	\$1,019.11	Minimum Bill
Over	150,000 gallons	5.63	per 1,000 gallons

10" Meter

First	250,000 gallons	\$1,581.64	Minimum Bill
Over	250,000 gallons	5.63	per 1,000 gallons

Wholesale

City of Caneyville		\$2.11	per 1,000 gallons
--------------------	--	--------	-------------------

Kevin Shaw
Manager
Grayson County Water District
113 S. Lee Street
P. O. Box 217
Leitchfield, KY 42754