

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF WARREN COUNTY WATER) CASE NO. 2011-00285
DISTRICT (WATER DIVISION))

O R D E R

On August 1, 2011, Warren County Water District ("Warren County Water") 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. Warren County Water purchases water from Bowling Green Municipal Utilities ("Bowling Green") at four separate metering points.
2. Bowling Green notified Warren County Water that, effective September 1, 2011, Bowling Green's wholesale water rate to Warren County Water would increase as follows: (1) from \$0.8463 per 1,000 gallons to \$1.8285 per 1,000 gallons at the Southside metering point; (2) from \$0.8463 per 1,000 gallons to \$1.0608 per 1,000 gallons at the Cemetery Road metering point; (3) from \$0.8463 per 1,000 gallons to \$1.0838 per 1,000 gallons at the Morgantown Road metering point; and (4) from \$0.6337 per 1,000 gallons to \$1.0525 per 1,000 gallons at the Northside metering point.

¹ KRS 278.015; 807 KAR 5:068.

3. Warren County Water proposes to increase the water rates to its customers effective September 1, 2011.

4. During the 12 months ending May 31, 2011, Warren County Water purchased a total of 4,510,600 gallons of water from the Southside metering point, 1,547,037,670 gallons from the Cemetery Road metering point, 215,911,300 gallons from the Morgantown Road metering point, 807,586,900 gallons from the Northside metering point, and sold 2,274,902,000 gallons. The increase in the cost of purchased water is \$725,766.21 and results in a purchased water adjustment of \$0.32 per 1,000 gallons.

5. Warren County Water's proposed purchased water adjustment of \$0.32 per 1,000 gallons is reasonable and should be approved.

6. Warren County Water's proposed rates are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Warren County Water's proposed purchased water adjustment of \$0.32 per 1,000 gallons, as calculated in Appendix A, is approved.

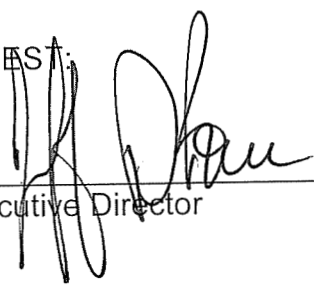
2. The rates set forth in Appendix B are fair, just, and reasonable and are approved for service that Warren County Water renders on or after September 1, 2011.

3. The tariff sheets filed by Warren County Water are approved as filed.

By the Commission

ENTERED *PA*
AUG 26 2011
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2011-00285 DATED **AUG 26 2011**

	New Rate	Base Rate	
Warren County Water Purchases in gallons			
Southside	4,510,600	4,510,600	
Volumetric rate	<u>\$1.8285/1,000</u>	<u>\$0.8463/1,000</u>	
	\$8,247.63	\$3,817.32	
	Increased water cost		\$4,430.31
Cemetery Road	1,547,037,670	1,547,037,670	
Volumetric rate	<u>\$1.0608/1,000</u>	<u>\$0.8463/1,000</u>	
	\$1,641,097.56	\$1,309,257.98	
	Increased water cost		\$331,839.58
Morgantown Rd.	215,911,300	215,911,300	
Volumetric rate	<u>\$1.0838/1,000</u>	<u>\$0.8463/1,000</u>	
	\$234,004.66	\$182,725.73	
	Increased water cost		\$51,278.93
Northside	807,586,900	807,586,900	
Volumetric rate	<u>\$1.0525/1,000</u>	<u>\$0.6337/1,000</u>	
	\$849,985.21	\$511,767.82	
	Increased water cost		\$338,217.39
	Total Increased Water Cost		\$725,766.21

Increased water cost	\$ 725,766.21
Divided by gallons sold	<u>2,274,902,000</u>
Purchased water adjustment factor	\$0.32 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00285 DATED **AUG 26 2011**

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

General Service Rates:

<u>5/8" X 3/4" Inch Meter</u>		
First	2,000 gallons	\$11.16 Minimum Bill*
Next	8,000 gallons	3.41 per 1,000 gallons
Next	90,000 gallons	2.74 per 1,000 gallons
Next	900,000 gallons	2.29 per 1,000 gallons
Over	1,000,000 gallons	1.95 per 1,000 gallons

*The \$11.16 minimum applies to 5/8" X 3/4" meters only. The minimums below apply to all other meter sizes.

3/4"	\$14.57 Minimum Bill, includes first 3,000 gallons
1"	21.82 Minimum Bill, includes first 5,000 gallons
1 1/2"	41.47 Minimum Bill, includes first 10,000 gallons
2"	55.81 Minimum Bill, includes first 15,000 gallons
3"	81.15 Minimum Bill, includes first 20,000 gallons
4"	135.28 Minimum Bill, includes first 30,000 gallons
6"	204.73 Minimum Bill, includes first 50,000 gallons
8"	298.99 Minimum Bill, includes first 80,000 gallons
10"	421.38 Minimum Bill, includes first 120,000 gallons

The rates to be charged after the minimum rate are the same regardless of meter size.

Alan H Vilines
Engineering Manager
Warren County Water District
523 US Highway 31W Bypass
P. O. Box 10180
Bowling Green, KY 42102-4780