

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF BREATHITT COUNTY) CASE NO. 2011-00406
WATER DISTRICT)

O R D E R

On October 5, 2011, Breathitt County Water District ("Breathitt 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. Breathitt County purchases water from the City of Jackson ("Jackson").
2. Jackson notified Breathitt County, effective November 1, 2011, Jackson's wholesale water rate to Breathitt County would increase from \$1.90 per 1,000 gallons to \$2.90 per 1,000 gallons.
3. Breathitt County proposes to increase the water rates to its customers effective November 1, 2011.
4. During the 12 months ending July 31, 2011, Breathitt County purchased a total of 55,369,000 gallons of water from Jackson and sold 45,312,000 gallons. The increase in the cost of purchased water is \$55,369.00 resulting in a purchased water adjustment of \$1.22 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

5. Breathitt County inadvertently omitted its wholesale rates to the Village of Buckhorn and Kentucky Mountain Bible College, and its leak adjustment rate.

6. Breathitt County's proposed rates should be approved.

7. The purchased water adjustment of \$1.22 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

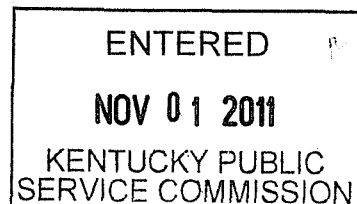
1. Breathitt County's proposed rates are approved.

2. The purchased water adjustment of \$1.22 per 1,000 gallons as calculated in Appendix A is approved.

3. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services on or after November 1, 2011.

4. Within 30 days of the date of this Order, Breathitt County shall file new tariff sheets showing the rates approved herein.

By the Commission



ATTEST:

A handwritten signature in black ink, appearing to be "M. J. [unclear]", written over a horizontal line.

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00406 DATED **NOV 01 2011**

	New Rate	Base Rate	
Breathitt County Water			
Purchases in gallons	55,369,000	55,369,000	
Volumetric rate	<u>\$ 2.90/1,000</u>	<u>\$ 1.90/1,000</u>	
	\$160,570.10	\$105,201.10	
		Increased water cost	\$55,369.00
Increased water cost		\$ 55,369.00	
Divided by gallons sold		<u>45,312,000</u>	
Purchased water adjustment factor		\$1.22 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00406 DATED NOV 01 2011

The following rates and charges are prescribed for the customers in the area served by Breathitt 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
Over 2,000 Gallons

\$22.34 Minimum Bill
11.17 Per 1,000 Gallons

Wholesale Rates

Village of Buckhorn

\$3.72 Per 1,000 Gallons

Kentucky Mountain Bible College

First 10,000 Gallons
Next 190,000 Gallons
Over 200,000 Gallons

\$111.70 Minimum Bill
6.20 Per 1,000 Gallons
5.02 Per 1,000 Gallons

Leak Adjustment Rate

\$6.17 Per 1,000 Gallons

Estill McIntosh
Superintendent
Breathitt County Water District
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Jackson, KY 41339