

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT	)	
OF HARDIN COUNTY WATER	)	CASE NO. 2013-00293
DISTRICT NO. 1	)	

ORDER

On July 17, 2013, Hardin County Water District No. 1 (“Hardin County”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

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

1. Hardin County purchases water from the United States Treasury Garrison Resource Management – Fort Knox (“Fort Knox”).
2. Fort Knox assesses a rate for water that is composed of two components: water costs and electric power costs.
3. On May 3, 2013, Fort Knox increased the individual components of its water service rate. These increases resulted in an increase in the volumetric wholesale rate to Hardin County from \$1.83 per 1,000 gallons to \$3.12 per 1,000 gallons.
4. Hardin County adjusted its rates on August 1, 2013 to reflect the increased cost of water purchased from Fort Knox.
5. Hardin County proposes a purchased water adjustment factor of \$0.07 per 1,000 gallons.

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

6. During the 12 months ended April 30, 2013, Hardin County purchased 46,073,000 gallons of water from Fort Knox. It sold 895,989,200 gallons of water during the same period, resulting in a purchased water adjustment factor of \$0.07 per 1,000 gallons.

7. The purchased water adjustment factor of \$0.07 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

8. The rates set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service that Hardin County renders on and after August 1, 2013.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.07 per 1,000 gallons is approved.

2. Hardin County's proposed rates, which are set forth in Appendix B to this Order, are approved for service that Hardin County renders on or after August 1, 2013.

3. Within 20 days of the date of this Order, Hardin County shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the approved rates.

By the Commission

ENTERED  
AUG 08 2013  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

*David D. Greenwell*  
Executive Director *for*

Case No. 2013-00293

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2013-00293 DATED **AUG 08 2013**

	New Rate	Base Rate
Fort Knox		
Purchases in gallons	46,073,000	46,073,000
Volumetric rate	<u>\$ 3.12/1,000</u>	<u>\$1.83/1,000</u>
	\$ 143,747.76	\$ 84,313.59
Increased water cost		\$59,434.17
Increased water cost		\$ 59,434.17
Divided by gallons sold/1,000		<u>895,989,200</u>
Purchased water adjustment factor		\$ 0.0663
		or \$0.07 per 1,000 gallons

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00293 DATED **AUG 08 2013**

The following rates and charges are prescribed for the customers in the area served by Hardin County Water District No. 1. 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 Volume Rates

First 15,000 gallons	\$4.50 per 1,000 gallons
Over 15,000 gallons	\$3.24 per 1,000 gallons
Wholesale Rate	\$2.00 per 1,000 gallons

Jim Bruce  
General Manager  
Hardin County Water District #1  
1400 Rogersville Road  
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