COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF NORTH MCLEAN COUNTY WATER DISTRICT

CASE NO. 2007-00252

ORDER

On June 25, 2007, North McLean County Water District ("North McLean") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

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

1. North McLean purchases water from West Daviess County Water District ("West Daviess") and the city of Livermore ("Livermore").

2. West Daviess notified North McLean that, effective with its July 1, 2007 billing, West Daviess's wholesale water rate to North McLean would increase from \$2.09 per 1,000 gallons to \$2.13 per 1,000 gallons. Livermore notified North McLean that, effective with Livermore's July 1, 2007 billing, Livermore's wholesale water rate to North McLean would increase from \$1.80 per 1,000 gallons to \$2.16 per 1,000 gallons. North McLean proposes to increase the water rates to its customers effective on and after July 9, 2007.

3. During the 12 months ending April 30, 2007, North McLean purchased 11,182,500 gallons of water from West Daviess, 2,246,700 gallons from Livermore, and

sold 107,598,600 gallons. The increase in the cost of purchased water is \$1,256.11, resulting in a purchased water adjustment of \$0.01 per 1,000 gallons.

4. The purchased water adjustment of \$0.01 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. North McLean's proposed rates are approved.

2. The purchased water adjustment of \$0.01 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after July 9, 2007.

3. Within 20 days of the date of this Order, North McLean shall file with the

Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 24th day of July, 2007.

By the Commission

ATTEST: **Executive** Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2007-00252 DATED JULY 24, 2007

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

First2,000gallonsNext8,000gallonsNext30,000gallonsOver40,000gallons

\$13.94 Minimum Bill 4.92 per 1,000 gallons 4.41 per 1,000 gallons 3.93 per 1,000 gallons