

RECEIVED

SEP 07 2007

PUBLIC SERVICE
COMMISSION

**Eastern
Rock Castle
Water**

**Association P.O. Box 540 Mt. Vernon, KY. 40456
(606) 256-5480 Telephone (606) 256-1748 Fax**

Every Drop of Your Business Helps Keep Our Business Flowing

Beverly O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P.O. Box 616
Frankfort, Kentucky 40601

Case No. 2007-00395

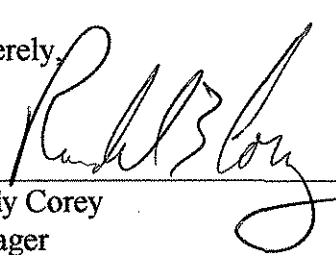
RE: Purchased Water Adjustment Filing

Dear Ms. O'Donnell:

Enclosed, please find a purchased water adjustment filing for the Eastern Rockcastle Water Association. This filing is pursuant to a rate increase from our wholesale provider Jackson County Water Association. Eastern Rockcastle Water Association will publish the enclosed notice (Exhibit E) no later than September 14, 2007.

Should you have questions or require additional information please feel free to contact me at 606-256-5480.

Sincerely,



Randy Corey
Manager

RECEIVED

PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND ASSOCIATIONS
(807 KAR 5:068)

SEP 07 2007

PUBLIC SERVICE
COMMISSION

Eastern Rockcastle Water Association
(Name of Utility)

September 7, 2007
(Date)

PO Box 540
(Address)

Mt. Vernon, KY 40456
(City, State)

606-256-5480
(Telephone Number)

- 1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

<u>Supplier(s)</u>	<u>Base Rate</u>	<u>Changed Rate</u>
<u>Jackson CO Water Association</u>	<u>\$2.18</u>	<u>\$ 2.66</u>
<u>Mt. Vernon Water Works</u>	<u>\$2.16</u>	<u>No Change</u>
<u>Livingston Water Works</u>	<u>\$2.55</u>	<u>No Change</u>

- 1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit A.
2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From July 2006 through June 2007
(month and year) (month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
<u>Jackson County Water Association</u>	<u>12,789,000</u>
<u>Mt. Vernon Water Works</u>	<u>7,074,000</u>
<u>Livingston Water Works</u>	<u>2,812,200</u>

4. Total gallons sold for the 12-month period: 20,181,500

5. Increased water cost: \$ 6,138.21

The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.

6. Purchased water adjustment factor: \$0.30 per 1000 gallons

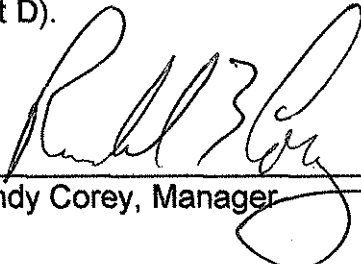
See attached worksheet for PWA calculations (Exhibit B.).

Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.

7. Proposed effective date: September 30, 2007

See attached tariff revision (Exhibit C.).

See attached board meeting minutes (Exhibit D).



Randy Corey, Manager

Exhibit A

FROM : JACKSON CO WATER ASSOCIATION FAX NO. : 606 287 7003

Aug. 21 2007 08:39AM P2

NOTICE

Jackson County Water Association has filed an application with the Public Service Commission to increase its rates for water service, within 30 days from filing its application as follows:

	Current Rates	Proposed Rates
First 2,000	\$14.48	\$16.50
Next 18,000	5.96	6.68
Next 30,000	5.07	5.75
Over 50,000	4.17	4.75
Bulk Sales	2.00	2.25
Rockcastle Water Assn.	2.18	2.77
City of Beattyville	1.98	2.68
City of McKee	1.76	2.52

Minimum	Current	Proposed	Increase	Percentage
5/8	14.48	16.50	2.02	13.9
1 inch	32.37	36.54	4.14	12.8
1 1/2	62.60	69.94	7.34	11.7
2	121.65	136.74	14.89	12.2
3	172.54	194.24	21.70	12.5
4	223.23	251.74	28.51	12.7

Based on the rates proposed by Jackson County, customers connected to a 5/8 inch meter using 5,000 gallons will pay \$36.54 an increase of \$4.17 or 12.8

The rates contained in this notice are the rates proposed by Jackson County Water Association. However, the Public Service Commission may order rates to be charged that are different than the rates proposed in this notice.

Any corporation, association, body politic or person may request leave to intervene, by motion within thirty (30) days after notice of the proposed change is given. A motion to intervene shall be made in writing and submitted to the Executive Director, Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, and shall set forth the grounds for the motion, including the status and interest of the party movant. Copies of the application may be obtained at no charge from the Association's In office at P.O. Box 232, Tyner, Kentucky 40486 or by contacting the Association at 606-287-7000. Upon request from an intervenor, the Association shall furnish to the intervenor a copy of the application and supporting documents.

FOR Jackson County
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Jackson County Water Association
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

3 Inch Meter

First 30,000 Gallons	\$188.05 Minimum Bill
Next 20,000 Gallons	5.45 Per 1,000 Gallons
Over 50,000 Gallons	4.26 Per 1,000 Gallons

4 Inch Meter

First 40,000 Gallons	\$242.55 Minimum Bill
Next 10,000 Gallons	5.45 Per 1,000 Gallons
Over 50,000 Gallons	4.26 Per 1,000 Gallons

Rockcastle County Water Assn.	\$2.66 Per 1,000 Gallons
City of Beautyville	2.55 Per 1,000 Gallons
City of McKee	2.39 Per 1,000 Gallons
Bulk Loading Station	2.25 Per 1,000 Gallons

Date of Issue 6-21-07

Date Effective June 19, 2007

Issued By Johnd. Peck

Title Manager
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2006-00467

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/19/2007
SECTION B (1)
DATED 6-19-07

By [Signature]
Executive Director

EXHIBIT B

PURCHASE WATER ADJUSTMENT WORKSHEET

Month/Year	Purchased Water (gallons)			Water Sold (gallons)
	J.C.W.A.	Mt. Vernon	Livingston	
Jul 2006	1,070,000	640,000	98,600	1,869,800
Aug 2006	1,064,000	821,000	137,400	1,822,900
Sep 2006	912,000	562,000	142,000	1,720,200
Oct 2006	1,087,000	508,000	792,000	1,710,100
Nov 2006	906,000	571,000	100,000	1,584,900
Dec 2006	972,000	584,000	107,100	1,692,800
Jan 2007	1,196,000	551,000	878,000	1,593,500
Feb 2007	1,066,000	541,000	101,800	1,580,500
Mar 2007	1,039,000	502,000	99,700	1,426,900
Apr 2007	1,051,000	549,000	103,800	1,571,900
May 2007	1,216,000	501,000	121,400	1,668,400
Jun 2007	1,210,000	744,000	130,400	1,939,600
Totals	12,789,000	7,074,000	2,812,200	20,181,500

Twelve Month Purchased Water Cost

Gallons Purchased	Current Rate	Cost	New Rate	Cost
12,789,000	\$ 2.18	\$ 27,880.02	\$ 2.66	\$ 34,018.74
7,074,000	\$ 2.16	\$ 15,279.84	\$ 2.16	\$ 15,280
2,812,200	\$ 2.55	\$ 7,171.11	\$ 2.55	\$ 7,171
22,675,200		\$ 50,330.97		\$ 56,469.18
Increase	\$ 6,138.21			
Factor	\$ 0.30			

WATER RATE ADJUSTMENT

Rate Schedule	Current Rate	Increase	New Rate
First 2,000 Gallons	\$ 21.40	\$ 0.60	\$ 22.00
Over 2,000 Gallons	\$ 8.50	\$ 0.30	\$ 8.80

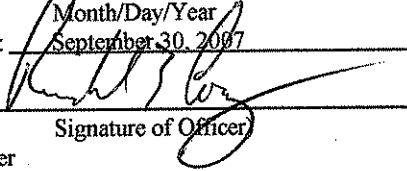
EXHIBIT C

FOR: ROCCASTLE COUNTY
P.S.C.KY.NO. _____
REVISED SHEET NO. _____
CANCELLING P.S.C. KY. NO. _____
Original SHEET NO. _____

Eastern Rockcastle Water Association
(Name of Utility)

RATES

First 2,000 gallons	\$ 22.00 Minimum Bill
Over 2,000 gallons	\$ 8.80 per 1000 gallons

Date Of Issue: September 7, 2007
Month/Day/Year
Date Effective: September 30, 2007
Issued By: 
Signature of Officer
Title: Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED: _____

EXHIBIT D

Eastern Rock Castle Water Association

P.O. Box 540

Mt. Vernon, KY. 40456

(606) 256-5480 Telephone (606) 256-1748 Fax

Your Business Keeps Our Business Flowing

Minutes for the September 6, 2007 Board of Directors SPECIAL Meeting

SPECIAL MEETING

Presiding;	Dell F. Ponder	President
	Murphy Martin	Vice President
	Jamie L. Mullins Lainhart	Sec\Treasurer
	Lee Bivins	Board Member
	Anna Mize	Board Member
Absent:	Randal Corry	General Manager
	Jo Cook	Office Manager
	Gwen Ponder	Board Member

The Meeting Devotion was led by E. R.W.A. Gen. Manager Randy Corry.

After Roll Call

Dell Ponder President of E.R.W.A. Called the meeting to order at approximately 2:00 P. M. Explaining to the Board the reason for the meeting being was of the price increase from Jackson County Water Association for whole sale water. From \$2.18 to \$2.66 Per Thousand Gallons.

After some discussion by the Board about the problem,

Anna Mize made the motion that in lieu of the wholesale rate increase from the \$2.18 To \$2.66 per thousand gallons from this supplier which is Jackson County Water Association, that Eastern Rock Castle Water Association file a Purchase Water Adjustment With the Public Service Commission to increase our rates \$0.60 on the minimum bill and \$0.30 per thousand thereafter to take effect for water service rendered on or after September 30, 2007

Jamie Mullins Lainhart Secretary \ Treasurer seconded the aforesaid motion.

Dell Ponder President of E.R.W.A. asked if any more discussion was needed. None was Needed. He then asked for a vote on the matter.

All members present accepted the motion.

Motion Carried.

Lee Bivins Made the motion for adjournment at 2:20 p. m. All members present accepted.

Motion Carried.

EXHIBIT E

NOTICE

Due to a rate increase from Jackson County Water Association, the Eastern Rockcastle Water Association has filed an application with the Public Service Commission to implement the following rate schedule. The proposed change will affect all bills issued after September 30, 2007.

Rates: Monthly	Current Rates	Revised Rates
First 2000 gallons	\$ 21.40 (Minimum Bill)	\$ 22.00 (Minimum Bill)
Over 2,000 gallons	\$ 8.50 per 1000 gallons	\$ 8.80 per 1000 gallons

The bill for an average customer using 5,000 gallons each month would increase from \$46.90 to \$48.40, a monthly increase of \$1.50. The rates contained in this notice are the rates proposed by the Eastern Rockcastle Water Association. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this notice. Eastern Rockcastle Water Association has available for inspection at its office the application submitted to the Public Service Commission. You may contact the office at (606) 256-5480.