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Caroline Pitt Clark
Commissioner

February 25, 2008

CERTIFICATE OF SERVICE

RE: Case No. 2008-00035
Pendleton County Water District

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on February 25, 2008.

Executive Director

BOD/rs
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	
OF PENDLETON COUNTY WATER)	CASE NO. 2008-00035
DISTRICT)	

O R D E R

On January 28, 2008, Pendleton County Water District ("Pendleton") 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. Pendleton purchases water from the city of Falmouth and Northern Kentucky Water District ("Northern Kentucky").
2. Northern Kentucky notified Pendleton that, effective with its March 1, 2008 billing, Northern Kentucky's wholesale rate to Pendleton would increase from \$2.53 per 1,000 gallons to \$2.97 per 1,000 gallons.
3. Pendleton proposed a purchased water adjustment factor of \$0.30 per 1,000 gallons.
4. During the 12 months ending December 31, 2007, Pendleton purchased 106,339,000 gallons of water from Northern Kentucky, and sold 155,213,000 gallons. The increase in the cost of purchased water is \$46,789.16, resulting in a purchased water adjustment of \$0.30 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.30 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The proposed rates by Pendleton are approved.
2. The purchased water adjustment factor of \$0.30 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 March 15, 2008.
4. Within 20 days of the date of this Order, Pendleton shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 25th day of February, 2008.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2008-00035 DATED FEBRUARY 25, 2008

	New Rate	Base Rate	
Pendleton County Water			
Purchases in gallons	106,339,000	106,339,000	
Volumetric rate	<u>\$ 2.97/1,000</u>	<u>\$ 2.53/1,000</u>	
	\$315,826.83	\$269,037.67	
		Increased water cost	\$46,789.16
Increased water cost		\$ 46,789.16	
Divided by gallons sold		<u>155,213,000</u>	
Purchased water adjustment factor		\$0.30 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00035 DATED FEBRUARY 25, 2008

The following rates and charges are prescribed for the customers in the area served by Pendleton 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 Water Rates

5/8" x 3/4" Meter through 2" Meter

First	2,000 gallons	\$20.12	Minimum Bill
Next	3,000 gallons	8.71	per 1,000 gallons
Next	10,000 gallons	8.21	per 1,000 gallons
Over	15,000 gallons	7.11	per 1,000 gallons

Pendleton County High

First	125,000 gallons	\$910.45	Minimum Bill
Over	125,000 gallons	7.11	per 1,000 gallons

Griffin Industries

First	400,000 gallons	\$2884.80	Minimum Bill
Over	400,000 gallons	7.11	per 1,000 gallons

City of Butler

First	1,672,917 gallons	\$5704.65	Minimum Bill
Over	1,672,917 gallons	3.41	per 1,000 gallons