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August 6, 2008

John Palmer
President
Bronston Water Association, Inc.
2013 W. Highway 90
P. O. Box 243
Bronston, KY 42518

CERTIFICATE OF SERVICE

RE: Case No. 2008-00269
Bronston Water Association, Inc.

I, Stephanie Stumbo, 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 August 6, 2008.

Executive Director

SS/tw
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF BRONSTON WATER) CASE NO. 2008-00269
ASSOCIATION, INC.)

On July 11, 2008, Bronston Water Association ("Bronston") 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. Bronston purchases water from Monticello Utility Commission ("Monticello").
2. Monticello notified Bronston that, effective with its June 26, 2008 billing, the wholesale rate would increase from \$2.02 per 1,000 gallons to \$2.40 per 1,000 gallons.
3. Bronston proposes a purchased water adjustment factor of \$0.58 per 1,000 gallons.
4. During the 12-month period ending April, 2008, Bronston purchased 113,691,800 gallons of water. It sold 75,115,876 gallons of water during the same period. The increase in the cost of purchased water is \$43,202.88, resulting in a purchased water adjustment factor of \$0.58 per 1,000 gallons.

¹ KRS 278.012 and 807 KAR 5:068.

5. On June 2, 2008, Bronston's Board of Directors approved an increase in its rates to its customers effective June 26, 2008 to reflect the increase in Monticello's wholesale rate.

6. The purchased water adjustment factor of \$0.58 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Bronston are approved.

2. The purchased water adjustment factor of \$0.58 per 1,000 gallons as calculated in Appendix A, which is attached hereto and incorporated herein, is approved.

3. The rates in Appendix B, which is attached hereto and incorporated herein, are fair, just, and reasonable and are approved for service provided on or after June 26, 2008.

4. Within 20 days of the date of this Order, Bronston shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 6th day of August, 2008.

By the Commission

ATTEST:


Executive Director *for Stephanie Stumbo*
by permission

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00269 DATED AUGUST 6, 2008

	New Rate	Base Rate
Monticello		
Purchases in gallons	113,691,800	113,691,800
Volumetric rate	<u>\$2.40/1,000</u>	<u>\$ 2.02/1,000</u>
	\$272,860.32	\$229,657.43
Increased water cost	\$43,202.88	
Increased water cost		\$43,202.88
Divided by gallons sold		<u>75,115,876</u>
Purchased water adjustment factor		\$0.58 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00269 DATED AUGUST 6, 2008

The following rates and charges are prescribed for the customers in the area served by Bronston Water Association Inc. 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.

RATES AND CHARGES

5/8" x 3/4" Meter			
First	1,500 gallons	\$14.62	Minimum Bill per 1,000 gallons
Over	1,500 gallons	6.30	
1-Inch Meter			
First	5,000 gallons	\$ 36.67	Minimum Bill per 1,000 gallons
Over	5,000 gallons	6.30	
2 Inch Meter			
First	20,000 gallons	\$ 104.90	Minimum Bill per 1,000 gallons
Over	20,000 gallons	6.30	
4-Inch Meter			
First	50,000 gallons	\$249.80	Minimum Bill per 1,000 gallons
Over	50,000 gallons	6.30	
Hydrants		\$4.17	per hydrant/month
Purchased Water Rates		\$2.40	per 1,000 gallons
Leak Adjustment		\$3.70	per 1,000 gallons