

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
APPLICATION OF ELKHORN WATER)	2009-00219
DISTRICT)	

O R D E R

On June 15, 2009, Elkhorn Water District (“Elkhorn”) submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹ Its initial filing was deficient and Elkhorn cured those deficiencies through its filing of documents on July 8, 2009. The Commission issued an Order on July 27, 2009 in this proceeding setting the rates for Elkhorn based on the ordered decrease of the wholesale rate for water purchased from the Frankfort Electric and Water Plant Board (“Plant Board”).² In its July 27, 2009 Order, the Commission held the case open to gather additional information in order to calculate the refund owed to Elkhorn’s customers in accordance with 807 KAR 5:068, Section 2(4).

On August 10, 2009, Elkhorn submitted its response to Commission Staff’s data request.

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

1. Elkhorn purchases water from the Plant Board.

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2008-00250, *Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board* (Ky. PSC Apr. 6, 2009).

2. The Plant Board refunded \$2,586.91 to Elkhorn, as ordered by the Commission in Case No. 2008-00250.³

3. Elkhorn proposes to apply the refund to its customers over a one-month period.

4. Elkhorn estimates that 6,000,000 gallons of water will be sold during the August billing period.

5. Based on Elkhorn's estimated gallons of water to be sold, it should refund its customers \$0.43 per 1,000 gallons.⁴

6. The refund factor of \$0.43 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS HEREBY ORDERED that:

1. The refund factor of \$0.43 per 1,000 gallons is approved.

2. Elkhorn shall credit its customers \$0.43 per 1,000 gallons on its next billing.

3. Within 20 days of that billing, Elkhorn shall file with the Commission a report/letter verifying that the refunds were made. The confirmation should include the actual total amount refunded and a statement by district personnel attesting that the refunds were made.

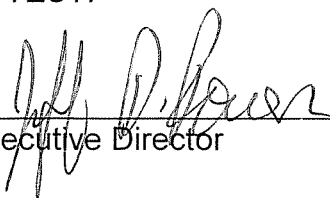
³ *Id.*

⁴ This refund factor is calculated by dividing \$2,586.91 by 6,000,000 gallons.

By the Commission

ENTERED *M*
SEP - 1 2009
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Garland Moore
Chairman
Elkhorn Water District
P. O. Box 67
Frankfort, KY 40602