

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF PEAKS MILL WATER) CASE NO. 2011-00118
DISTRICT)

O R D E R

On March 31, 2011, Peaks Mill Water District ("Peaks Mill") 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. Peaks Mill purchases water from Frankfort Electric and Water Plant Board ("Frankfort") and Kentucky American Water Company ("Kentucky American").
2. On March 16, 2011, the Commission approved an adjustment in Frankfort's wholesale water rate to Peaks Mill from \$1.704 per 1,000 gallons to \$1.81 per 1,000 gallons effective April 1, 2011.²
3. On March 7, 2011, Peaks Mill's Board of Commissioners increased the water district's rates commensurate with Frankfort's increase effective April 1, 2011.
4. During the 12 months ending December 31, 2010, Peaks Mill purchased a total of 92,307,700 gallons of water from Frankfort, 541,300 gallons of water from Kentucky American, and sold 64,692,700 gallons. The increase in the cost of

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2010-00485, Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board (Ky. PSC Mar. 16, 2011).

purchased water is \$9,784.62 resulting in a purchased water adjustment of \$0.15 per 1,000 gallons.

5. Peaks Mill's proposed rates should be approved.

6. The purchased water adjustment of \$0.15 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

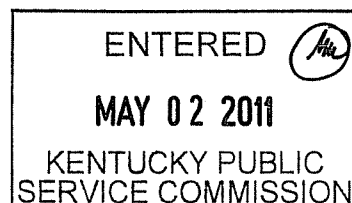
1. Peaks Mill's proposed rates are approved.

2. The purchased water adjustment of \$0.15 per 1,000 gallons as calculated in Appendix A is approved.

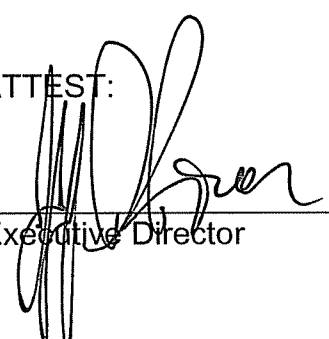
3. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services on or after April 1, 2011.

4. Peaks Mill shall file, within 20 days of the date of this Order, revised tariffs as approved herein reflecting their effective date of April 1, 2011 and that they were approved pursuant to this Order.

By the Commission



ATTEST:



Executive Director

Case No. 2011-00118

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2011-00118 DATED **MAY 02 2011**

	New Rate	Base Rate	
Peaks Mill Water			
Purchases in gallons	92,307,700	92,307,700	
Volumetric rate	<u>\$1.81/1,000</u>	<u>\$1.704/1,000</u>	
	\$167,076.94	\$157,292.32	
		Increased water cost	\$9,784.62
Increased water cost		\$ 9,784.62	
Divided by gallons sold		<u>64,692,700</u>	
Purchased water adjustment factor		\$0.15 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00118 DATED **MAY 02 2011**

The following rates and charges are prescribed for the customers in the area served by Peaks Mill 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

5/8" X 3/4" Meters

First	2,000 gallons	\$ 20.13 Minimum Bill
Next	3,000 gallons	6.65 per 1,000 gallons
Next	5,000 gallons	5.43 per 1,000 gallons
Over	10,000 gallons	4.82 per 1,000 gallons

Church Quarles
Peaks Mill Water District
7175 US 127 North
Frankfort, KY 40601