

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	
APPLICATION OF SOUTH ANDERSON)	CASE NO. 2012-00592
WATER DISTRICT)	

ORDER

On December 28, 2012, South Anderson Water District ("South Anderson") 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. South Anderson purchases water from the City of Lawrenceburg ("Lawrenceburg") and the Frankfort Electric and Water Plant Board ("Frankfort").

2. The wholesale rate that Frankfort charges to South Anderson is composed of two rate components: a general rate and the Kentucky River Authority Withdrawal Fee rate.

3. On August 23, 2012, Frankfort advised South Anderson that effective September 24, 2012, its Kentucky River Authority Withdrawal Fee rate would increase from \$0.0965 per 1,000 gallons to \$0.1079 per 1,000 gallons to reflect increases in the fees that the Kentucky River Authority assesses for withdrawal of water from the Kentucky River.

¹ KRS 278.015; 807 KAR 5.068.

4. On April 1, 2012, Frankfort increased its general rate to South Anderson from \$1.81 per 1,000 gallons to \$1.91 per 1,000 gallons.

5. South Anderson proposes to adjust its rates to reflect the increases in both rate components.

6. During the 12 months ending September 30, 2012, South Anderson purchased 145,329,000 gallons of water from Lawrenceburg and 20,883,500 gallons of water from Frankfort for a total of 166,212,500 gallons. South Anderson sold a total of 147,687,680 gallons. The total increase in cost of purchased water is \$2,326.42 which results in a purchased water adjustment of \$0.02 per 1,000 gallons.

7. South Anderson inadvertently omitted applying the purchased water adjustment factor to its bulk loading station rate.

8. The purchased water adjustment of \$0.02 per 1,000 gallons is fair, just, and reasonable and should be approved.

9. South Anderson proposed to increase its rates effective January 1, 2013.

IT IS THEREFORE ORDERED that:

1. South Anderson's proposed rates are approved.

2. The purchased water adjustment of \$0.02 per 1,000 gallons as calculated in Appendix A is approved.

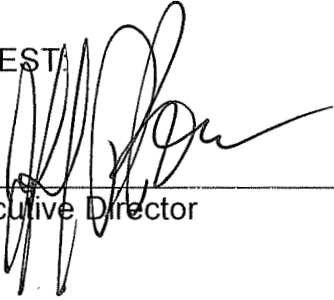
3. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services on or after January 1, 2013.

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

By the Commission

ENTERED
JAN 17 2013
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST



Executive Director

Case No. 2012-00592

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00592 DATED JAN 17 2013

	New Rate	Base Rate
South Anderson Water Purchases in gallons	20,883,500	20,883,500
Volumetric Rate	\$ 1.91/1,000	\$ 1.81/1,000
KRA Fee	<u>\$0.1079/1,000</u>	<u>\$0.0965/1,000</u>
	\$ 42,140.81	\$ 39,814.39
		Increased water cost \$2,326.42
Increased water cost		\$ 2,326.42
Divided by gallons sold / 1,000		<u>147,687,680</u>
		0.01575
Purchased water adjustment factor	\$0.02 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00592 DATED JAN 17 2013

The following rates and charges are prescribed for the customers in the area served by South Anderson 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	\$18.97 Minimum Bill
Next	3,000 Gallons	9.31 Per 1,000 Gallons
Next	5,000 Gallons	7.06 Per 1,000 Gallons
Over	10,000 Gallons	5.56 Per 1,000 Gallons
Bulk Loading Station		\$3.59 Per 1,000 Gallons

Eddie Stevens
Chairman
South Anderson Water District
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452 Versailles Road
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