

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF MAGOFFIN COUNTY WATER) CASE NO. 2003-00144
DISTRICT)

O R D E R

On April 25, 2003, Magoffin County Water District (Magoffin County) 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. Magoffin County purchases water from the city of Salyersville (Salyersville).

2. Salyersville notified Magoffin County that effective with bills issued on and after June 1, 2003 its wholesale water rate would increase. Salyersville has a two-step declining block rate design. Salyersville increased the rate in the first step, the first 8,000 gallons, from \$1.95 per 1,000 gallons to \$2.15 per 1,000 gallons. Salyersville increased the second step, all usage over 8,000 gallons, from \$2.10 per 1,000 gallons to \$2.30 per 1,000 gallons. Magoffin County proposes to increase the water rates to its customers effective June 1, 2003.

3. During the 12 months ending March 31, 2003, Magoffin County purchased 167,300,900 gallons of water from Salyersville and sold 147,370,080 gallons. The

increase in the cost of purchased water is \$33,460.18, resulting in a purchased water adjustment of \$0.23 per 1,000 gallons.

4. The purchased water adjustment of \$0.23 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.23 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for bills issued on and after June 1, 2003.

2. The proposed tariff sheets filed by Magoffin County are approved as filed.

Done at Frankfort, Kentucky, this

By the Commission

ATTEST:

Executive Director

Case No. 2003-00144

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00144 DATED May 15, 2003

The following rates and charges are prescribed for the customers in the area served by Magoffin 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 Residential Rates

5/8 x 3/4 Meter

First	2,000 Gallons	\$13.86 Minimum Bill
Next	3,000 Gallons	6.13 Per 1,000 Gallons
Next	5,000 Gallons	5.63 Per 1,000 Gallons
Over	10,000 Gallons	5.13 Per 1,000 Gallons

1 Inch Meter

First	5,000 Gallons	\$32.25 Minimum Bill
Next	5,000 Gallons	5.63 Per 1,000 Gallons
Over	10,000 Gallons	5.13 Per 1,000 Gallons

Monthly Commercial Rates

3/4 Meter

First	3,000 Gallons	\$25.14 Minimum Bill
Next	2,000 Gallons	8.03 Per 1,000 Gallons
Next	5,000 Gallons	7.38 Per 1,000 Gallons
Next	5,000 Gallons	6.73 Per 1,000 Gallons
Over	15,000 Gallons	6.43 Per 1,000 Gallons

1 Inch Meter

First	5,000 Gallons	\$41.20 Minimum Bill
Next	5,000 Gallons	7.38 Per 1,000 Gallons
Next	5,000 Gallons	6.73 Per 1,000 Gallons
Over	15,000 Gallons	6.43 Per 1,000 Gallons

2 Inch Meter

First	15,000 Gallons	\$111.75 Minimum Bill
Over	15,000 Gallons	6.43 Per 1,000 Gallons