

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF FARMDALE WATER DISTRICT) CASE NO. 2003-00285
)

O R D E R

On July 23, 2003, Farmdale Water District (Farmdale) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068. The Frankfort Electric & Water Plant Board (Frankfort Plant Board) increased its rates in January of 1999 from \$1.25 per 1,000 gallons to \$1.313 per 1,000 gallons. Farmdale did not receive Commission approval to adjust the rates through a purchased water adjustment. However, they did incur the increased cost of purchased water. The Frankfort Plant Board received Commission approval to increase its wholesale rate to Farmdale from \$1.313 per 1,000 gallons to \$1.418 per 1,000 gallons on April 20, 2002. Farmdale proposes to increase its rates effective July 15, 2003.

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

1. Farmdale purchases water from the Frankfort Plant Board.
2. The Commission approved the Frankfort Plant Board's increases on January 10, 1999 and April 20, 2002.

3. During the 12 months ending April 30, 2003, Farmdale purchased 209,467,900 gallons of water from the Frankfort Plant Board and sold 194,694,200 gallons. The increase in the cost of purchased water is \$35,191, resulting in a purchased water adjustment of \$0.18 per 1,000 gallons.

4. The purchased water adjustment of \$0.18 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.18 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after July 15, 2003.

2. The proposed tariff sheets filed by Farmdale are approved as filed.

Done at Frankfort, Kentucky, this 22nd day of August, 2003.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00285 DATED August 22, 2003

The following rates and charges are prescribed for the customers in the area served by Farmdale 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 (Other than trailer courts)

5/8 x 3/4 Meter

First	2,000 Gallons	\$8.18 Minimum Bill
Next	3,000 Gallons	2.59 Per 1,000 Gallons
Next	5,000 Gallons	2.09 Per 1,000 Gallons
Over	10,000 Gallons	1.89 Per 1,000 Gallons

1 Meter

First	7,000 Gallons	\$20.13 Minimum Bill
Next	3,000 Gallons	2.09 Per 1,000 Gallons
Next	140,000 Gallons	1.89 Per 1,000 Gallons
Over	150,000 Gallons	1.64 Per 1,000 Gallons

Commercial Rates (Stewart Home)

First	7,000 Gallons	\$20.13 Minimum Bill
Next	3,000 Gallons	2.09 Per 1,000 Gallons
Next	140,000 Gallons	1.89 Per 1,000 Gallons
Over	150,000 Gallons	1.64 Per 1,000 Gallons

Industrial Rates (Trigometer, Inc.)

First	7,000 Gallons	\$20.13 Minimum Bill
Next	3,000 Gallons	2.09 Per 1,000 Gallons
Next	140,000 Gallons	1.89 Per 1,000 Gallons
Over	150,000 Gallons	1.64 Per 1,000 Gallons