

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF NORTH LOGAN WATER) CASE NO. 2013-00021
DISTRICT)

ORDER

On January 14, 2013, North Logan Water District (“North Logan”) 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. North Logan purchases water from Logan/Todd Regional Water Commission (“Logan/Todd”).
2. Logan/Todd notified North Logan that, effective March 1, 2013, its volumetric wholesale rate to North Logan would increase from \$3.75 per 1,000 gallons to \$3.83 per 1,000 gallons.
3. North Logan proposed a purchased water adjustment factor of \$0.10 per 1,000 gallons.
4. During the 12 months ended December 31, 2012, North Logan purchased 53,998,000 gallons of water from Logan/Todd. North Logan sold 44,124,000 gallons of water during the same 12 months. The increase in the cost of purchased water is \$4,319.84 resulting in a purchased water adjustment factor of \$0.10 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

5. North Logan proposes to increase the water rates to its customers effective March 1, 2013.

6. The purchased water adjustment factor of \$0.10 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

7. The rates set forth in Appendix B reflect the application of the proposed purchased water adjustment factor and are fair, just, and reasonable.

IT IS THEREFORE ORDERED that:

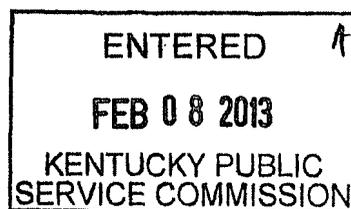
1. North Logan's proposed rates are approved.

2. The purchased water adjustment factor of \$0.10 per 1,000 gallons is approved.

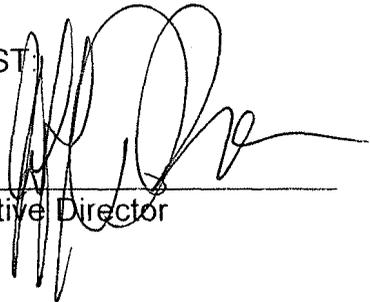
3. The rates in Appendix B are fair, just, and reasonable and are approved for service rendered on or after March 1, 2013.

4. Within 20 days of the date of this Order, North Logan shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the approved rates.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00021 DATED FEB 08 2013

Logan/Todd	New Rate	Base Rate
Purchases in gallons	53,998,000	53,998,000
Volumetric rate	<u>\$ 3.83/1,000</u>	<u>\$ 3.75/1,000</u>
	\$ 206,812.34	\$ 202,492.50
	Increased water cost	\$ 4,319.84
Increased water cost	\$ 4,319.84	
Divided by gallons sold / 1,000	<u>44,124,000</u>	
	\$.0979	
Purchased water adjustment factor	\$0.10 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00021 DATED FEB 08 2013

The following rates and charges are prescribed for the customers in the area served by North Logan 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 Water Rates

First	2,000 gallons	\$24.52	Minimum Bill
Next	2,000 gallons	11.26	per 1,000 gallons
Next	6,000 gallons	7.45	per 1,000 gallons
Next	15,000 gallons	7.10	per 1,000 gallons
Over	25,000 gallons	6.75	per 1,000 gallons

S. C. Smotherman
Chairman
North Logan Water District #1
3118 Lewisburg Road
Russellville, KY 42276

Chris Wilcutt
Project Engineer
McGhee Engineering, Inc.
202 Ewing Street
P. O. Box 267
Guthrie, KENTUCKY 42234-0267