

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF SOUTH ANDERSON WATER) CASE NO. 2013-00298
DISTRICT)

ORDER

On July 19, 2013, 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 Frankfort Plant Board ("Frankfort") and the City of Lawrenceburg ("Lawrenceburg").
2. On April 1, 2013, Frankfort increased the wholesale water component of its rate to South Anderson from \$1.91 per 1,000 gallons to \$2.01 per 1,000 gallons.²
3. On July 28, 2013, Frankfort increased the Kentucky River Authority ("KRA") withdrawal fee component of its wholesale water rate to South Anderson from \$0.1079 per 1,000 gallons to \$0.20 per 1,000 gallons.³

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).

³ TFS NO. 2013-00502 (Ky. PSC filed June 28, 2013); Letter from Dennis Brent Kirtley, Manager, Public Service Commission, to Hance Price, Staff Attorney, Frankfort Plant Board (July 29, 2013).

4. On July 1, 2013, Lawrenceburg increased the KRA withdrawal fee to South Anderson from \$0.10 per 1,000 gallons to \$0.18 per 1,000 gallons.⁴

5. South Anderson proposes a purchased water adjustment factor of \$0.11 per 1,000 gallons.

6. South Anderson proposed an effective date of August 1, 2013.

7. During the 12 months ending May 31, 2013, South Anderson purchased 20,208,200 gallons of water from Frankfort, 176,848,000 gallons from Lawrenceburg and sold 165,438,860 gallons. As a result of the increase in Frankfort's and Lawrenceburg's wholesale rates, South Anderson's cost of purchased water will increase by \$18,029.82, resulting in a purchased water adjustment factor of \$0.11 per 1,000 gallons.

8. The purchased water adjustment factor of \$0.11 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.11 per 1,000 gallons is approved.

2. South Anderson's proposed rates, which are set forth in Appendix B to this Order, are approved for services that South Anderson renders on or after August 1, 2013.

⁴ TFS No. 2013-00499 (Ky. PSC filed July 2, 2013); Letter from Dennis Brent Kirtley, Manager, Public Service Commission, to Edwinna Baker, Mayor, City of Lawrenceburg (July 26, 2013).

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

By the Commission

ENTERED
AUG 08 2013
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00298 DATED **AUG 08 2013**

	New Rate	Base Rate
Frankfort		
Purchases in gallons	20,208,200	20,208,200
Volumetric rate	<u>\$ 2.01/1,000</u>	<u>\$1.91/1,000</u>
	\$40,618.48	\$38,597.66
Purchases in gallons	20,208,200	20,208,200
KRA Withdrawal Fee	<u>\$0.20/1,000</u>	<u>\$0.1079/1,000</u>
	\$ 4,041.64	\$ 2,180.46
Lawrenceburg		
Purchases in gallons	176,848,000	176,848,000
KRA Withdrawal Fee	<u>\$ 0.18/1,000</u>	<u>\$ 0.10/1,000</u>
	\$ 31,832.64	\$ 17,684.80
Total	\$76,492.76	\$58,462.92
	Increased water cost	\$18,029.84

Increased water cost	\$ 18,029.84
Divided by gallons sold/1,000	<u>165,438,860</u>
	\$0.109

Purchased water adjustment factor \$0.11 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00298 DATED **AUG 08 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 Water Rates

First	2,000 gallons	\$19.19	Minimum Bill
Next	3,000 gallons	9.42	per 1,000 gallons
Next	5,000 gallons	7.17	per 1,000 gallons
Over	10,000 gallons	5.67	per 1,000 gallons

<u>Bulk Loading Station</u>	\$3.70	per 1,000 gallons
McConnell		

Eddie Stevens
Chairman
South Anderson Water District
P. O. Box 17
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