

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF ELKHORN WATER DISTRICT) CASE NO. 2008-00481

O R D E R

On November 20, 2008, Elkhorn Water District ("Elkhorn District") 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. Elkhorn District purchases water from the Frankfort Electric and Water Plant Board ("Frankfort").
2. Frankfort notified Elkhorn District that, due to an increase in water withdrawal fees assessed by the Kentucky River Authority, Frankfort's wholesale water rate to Elkhorn District would increase from \$1.589 per 1,000 gallons to \$1.6355 per 1,000 gallons effective November 30, 2008. Elkhorn District proposes to increase the water rates to its customers effective November 30, 2008.
3. Elkhorn District's application contained a mathematical error in the computation of the proposed rates.

¹ KRS 278.015 and 807 KAR 5:068.

4. During the 12 months ending September 30, 2008, Elkhorn District purchased a total of 63,144,500 gallons of water and sold 59,830,400 gallons. The increase in the cost of purchased water is \$2,936, resulting in a purchased water adjustment of \$0.05 per 1,000 gallons.

5. The purchased water adjustment of \$0.05 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

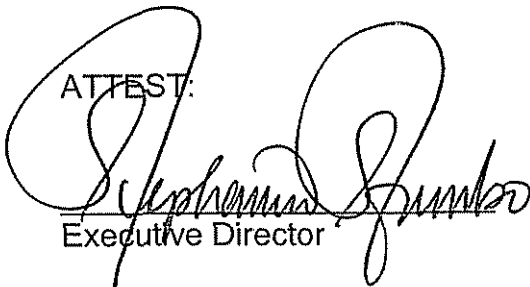
1. Elkhorn District's proposed rates are denied.

2. The purchased water adjustment of \$0.05 per 1,000 gallons as calculated in Appendix A is approved and the rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after the date of this Order.

3. Within 20 days of the date of this Order, Elkhorn District shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 16th day of December, 2008.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00481 DATED DECEMBER 16, 2008

	Base Rate	New Rate
Frankfort Electric and Water Plant Board		
Purchases in gallons	63,144,500	63,144,500
Wholesale Rate	<u>\$ 1.589/1,000</u>	<u>\$1.6355/1,000</u>
	\$100,936	\$103,273
Increased water cost		\$2,936

Increased water cost	\$2,936
Divided by gallons sold	<u>59,834,400</u>
Purchased water adjustment factor	\$0.05 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00481 DATED DECEMBER 16, 2008

The following rates and charges are prescribed for the customers in the area served by Elkhorn 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

5/8" X 3/4" Meter

First	2,000	gallons	\$ 12.93	Minimum bill
Next	3,000	gallons	4.82	per 1,000 gallons
Next	5,000	gallons	4.24	per 1,000 gallons
All Over	10,000	gallons	3.01	per 1,000 gallons

1" Meter

First	5,000	gallons	\$ 27.39	Minimum bill
Next	5,000	gallons	4.24	per 1,000 gallons
All Over	10,000	gallons	3.01	per 1,000 gallons

1 1/2" Meter

First	10,000	gallons	\$ 45.59	Minimum bill
All Over	10,000	gallons	3.01	per 1,000 gallons

Mobile Home Parks

McConnell	15,000	gallons	\$ 96.97	Minimum bill
Elkhorn	76,000	gallons	491.34	Minimum bill
Capital	125,000	gallons	808.12	Minimum bill

Emergency Wholesale Rate

3.01 per 1,000 gallons

Garland Moore
Chairman
Elkhorn Water District
P. O. Box 67
Frankfort, KY 40602