

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
OF PEAKS MILL WATER DISTRICT)	2009-00232

O R D E R

On June 23, 2009, Peaks Mill Water District ("Peaks Mill") submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹ On June 30, 2009, the Commission notified Peaks Mill that it would also consider Peaks Mill's authorization to make adjustments in the amounts charged to Peaks Mill's customers as a result of Peaks Mill's receipt of a refund from the Frankfort Electric and Water Plant Board ("Plant Board") and based on 807 KAR 5:068, Section 2(4). The Commission issued an Order on July 20, 2009 in this proceeding setting the rates for Peaks Mill based on the ordered decrease of the wholesale rate for water purchased from the Plant Board.²

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

1. Peaks Mill purchases water from the Plant Board.

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2008-00250, *Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board* (Ky. PSC Apr. 6, 2009).

2. The Plant Board refunded \$2,779.08 to Peaks Mill, as ordered by the Commission in Case No. 2008-00250.³

3. Peaks Mill refunded \$2,558.62 to its customers in June 2009, which was directly related to the refund received by Peaks Mill from the Plant Board.

4. Peaks Mill estimates that 13,820,300 gallons of water will be sold during the July and August 2009 billing periods.

5. Estimated usage for August should be calculated by dividing the estimated usage for July and August by two.

6. Based on Peaks Mill's estimated gallons of water to be sold in August, it should refund its customers an additional \$0.03 per 1,000 gallons.⁴

7. The refund factor of \$0.03 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS HEREBY ORDERED that:

1. The final refund factor of \$0.03 per 1,000 gallons is approved.

2. Peaks Mill shall credit its customers \$0.03 per 1,000 gallons on its next billing.

3. Within 20 days of that billing, Peaks Mill shall confirm to the Commission, in writing, that the refunds were made. The confirmation should include the actual total amount refunded and a statement by district personnel attesting that the refunds were made.

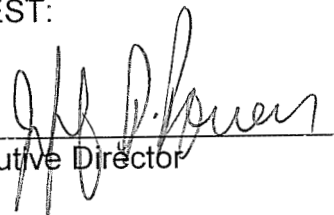
³ *Id.*

⁴ This is calculated by taking the difference between \$2,779.08 and \$2,558.46, which is \$220.62, and dividing that number by 6,910,150, which is 13,820,300 divided by 2.

By the Commission

ENTERED *M*
SEP -2 2009
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Church Quarles
Peaks Mill Water District
310 Perkins Road
Frankfort, KY 40601