

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF GARRARD COUNTY WATER) CASE NO. 2009-00470
ASSOCIATION, INC.)

O R D E R

On December 1, 2009, Garrard County Water Association (“Garrard Water”) 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. Garrard Water purchases water from the City of Lancaster (“Lancaster”), the City of Danville Water Dept. (“Danville”) and the City of Berea (“Berea”).

2. Lancaster increased its wholesale water rate from \$1.97 per 1,000 gallons to \$1.99 per 1,000 gallons on November 20, 2009 per Commission Order in Case No. 2009-00230.² Garrard Water proposes to increase the water rates to its customers effective December 10, 2009 to recover the actual costs of water purchased from Lancaster.

¹ KRS 278.012; 807 KAR 5:068.

² Case No. 2009-00230, Purchased Water Adjustment Filing of Garrard County Water Association, Inc. (Ky. PSC Nov. 20, 2009).

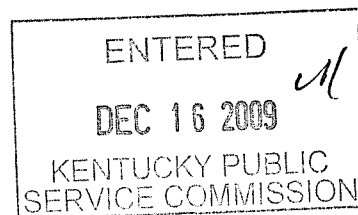
3. During the 12 months ending November 30, 2009, Garrard Water purchased a total of 256,549,054 gallons of water from Lancaster, a total of 81,400,269 gallons of water from Danville, and a total of 24,271,104 gallons of water from Berea and sold a total of 299,790,466 gallons of water. The increase in the cost of purchased water is \$5,130.98, resulting in a purchased water adjustment of \$0.02 per 1,000 gallons.

4. A purchased water adjustment of \$0.02 per 1,000 gallons is fair, just, and reasonable.

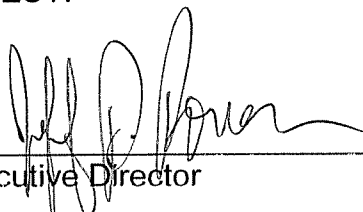
IT IS THEREFORE ORDERED that:

1. Garrard Water's proposed rates are approved.
2. The purchased water adjustment increase of \$0.02 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 December 10, 2009.
3. The tariff sheets filed by Garrard Water in the application are approved.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00470 DATED DEC 16 2009

	Base Rate	New Rate
Garrard County Water Association		
Purchases in gallons		
Lancaster	256,549,054	256,549,054
Volumetric Rate	\$1.97 per 1,000	\$1.99 per 1,000
Danville	81,400,269	81,400,269
Volumetric Rate	NO CHANGE	NO CHANGE
Berea	24,271,104	24,271,104
Volumetric Rate	NO CHANGE	NO CHANGE
	\$505,401.64	\$510,532.62
Increased water cost		\$5,130.98
Increased water cost		\$5,130.98
Divided by gallons sold		<u>299,790,466</u>
Purchased water adjustment increase factor		\$0.02 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00470 DATED DEC 16 2009

The following rates and charges are prescribed for the customers in the area served by Garrard County Water Association. 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"x3/4" Meter

First	1,000 gallons	\$10.17	Minimum Bill
Next	1,000 gallons	5.27	per 1,000 gallons
Next	1,000 gallons	4.17	per 1,000 gallons
Next	2,000 gallons	3.97	per 1,000 gallons
Over	5,000 gallons	3.67	per 1,000 gallons

Large Commercial, Dairy Farm and School Connections

1" Meter

First	5,000 gallons	\$27.55	Minimum Bill
Over	5,000 gallons	3.67	per 1,000 gallons

1 1/2" Meter

First	10,000 gallons	\$45.90	Minimum Bill
Over	10,000 gallons	3.67	per 1,000 gallons

2" Meter

First	25,000 gallons	\$100.95	Minimum Bill
Over	25,000 gallons	3.67	per 1,000 gallons

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