

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF SHARPSBURG WATER) CASE NO. 2010-00011
DISTRICT)

O R D E R

On January 8, 2010, Sharpsburg Water District (“Sharpsburg”) 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. Sharpsburg purchases water from Bath County Water District (“Bath County”) and the City of Carlisle.
2. On January 1, 2010, Bath County increased its rate for wholesale water service to Sharpsburg from \$2.73 per 1,000 gallons to \$2.79 per 1,000 gallons.²
3. Sharpsburg proposes to increase the water rates to its customers effective January 26, 2010.
4. During the 12 months ending November 30, 2009, Sharpsburg purchased a total of 77,680,000 gallons of water from Bath County and sold 83,317,800 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2009-00493, Purchased Water Adjustment Filing of Bath County Water District (Ky. PSC Jan. 11, 2010).

The increase in the cost of purchased water is \$4,660.80, resulting in a purchased water adjustment of \$0.06 per 1,000 gallons.

5. Sharpsburg calculated its proposed purchased water adjustment based upon an adjusted Bath County wholesale rate of \$2.78 per 1,000 gallons. As the Commission ultimately approved a wholesale rate of \$2.79 per 1,000 gallons, Sharpburg's proposed purchase adjustment factor and the proposed rates derived from that factor are incorrect.

6. The rates proposed by Sharpsburg should be denied.

7. The purchased water adjustment of \$0.06 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The proposed rates by Sharpsburg are denied.

2. The purchased water adjustment of \$0.06 per 1,000 gallons, as calculated in Appendix A, is approved.

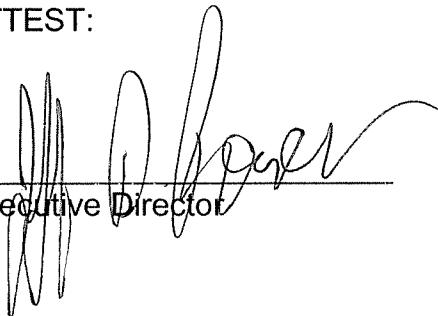
3. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services on or after January 26, 2010.

4. Within 20 days of the date of this Order, Sharpsburg shall file with the Commission a signed revised tariff sheet showing the rates approved herein.

By the Commission

ENTERED
FEB -2 2010 *M*
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2010-00011

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00011 DATED FEB - 2 2010

	New Rate	Base Rate	
Sharpsburg Water			
Purchases in gallons	77,680,000	77,680,000	
Volumetric rate	<u>\$2.79/1,000</u>	<u>\$2.73/1,000</u>	
	\$216,727.20	\$212,066.40	
		Increased water cost	\$4,660.80
Increased water cost		\$ 4,660.80	
Divided by gallons sold		<u>83,317,800</u>	
Purchased water adjustment factor		\$0.06 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00011 DATED FEB - 2 2010

The following rates and charges are prescribed for the customers in the area served by Sharpsburg 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	\$ 18.86	Minimum bill
Next	3,000 gallons	4.43	per 1,000 gallons
Next	5,000 gallons	3.93	per 1,000 gallons
Over	10,000 gallons	3.73	per 1,000 gallons

1" Meter

First	5,000 gallons	\$ 32.15	Minimum bill
Next	5,000 gallons	3.93	per 1,000 gallons
Over	10,000 gallons	3.73	per 1,000 gallons

2" Meter

First	16,000 gallons	\$ 74.18	Minimum bill
All Over	16,000 gallons	3.73	per 1,000 gallons

Schools

First	50,000 gallons	\$ 201.00	Minimum bill
All Over	50,000 gallons	3.73	per 1,000 gallons

Ms. Gayle Haney
Manager/Distribution Operator
Sharpsburg Water District
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