

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT                    )  
FILING OF FARMDALE WATER                    ) CASE NO. 2012-00421  
DISTRICT                                            )

ORDER

On September 14, 2012, Farmdale Water District (“Farmdale District”) filed its application for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

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

1. Farmdale District purchases water from Frankfort Electric and Water Plant Board (“Frankfort”).
2. On September 24, 2012, Frankfort adjusted the Kentucky River Authority (“KRA) Fee component of its wholesale water service rate to Farmdale District from \$0.0965 per 1,000 gallons to \$0.1079 per 1,000 gallons.
3. On September 7, 2012, Farmdale District’s Board of Commissioners authorized a rate adjustment, effective October 1, 2012, to reflect the increase in wholesale water cost resulting from Frankfort’s action.
4. Farmdale District proposes to apply a purchased water adjustment factor of \$0.02 per 1,000 gallons to its rates.

---

<sup>1</sup> KRS 278.015; 807 KAR 5:068.

5. During the 12 months ended June 30, 2012, Farmdale District purchased 211,040,000 gallons of water from Frankfort. It sold 162,873,000 gallons of water during the same period.

6. The purchased water adjustment factor of \$0.02 per 1,000 gallons is fair, just, and reasonable and should be approved.

7. The rates set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service that Farmdale District renders on and after October 1, 2012.

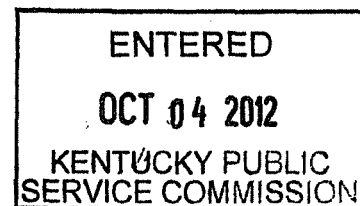
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.02 per 1,000 gallons as calculated in Appendix A is approved.

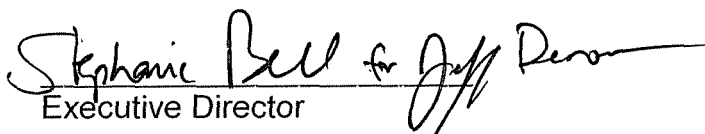
2. The rates in Appendix B are approved for service that Farmdale District renders on or after October 1, 2012.

3. Farmdale District's proposed tariff sheet filed with the application is approved.

By the Commission



ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2012-00421 DATED OCT 04 2012

	New Rate	Base Rate
Frankfort		
Purchases in gallons	211,040,000	211,040,000
Volumetric rate	No Change	No Change
KRA Fee rate	<u>\$0.1079/1,000</u>	<u>\$0.0965/1,000</u>
	\$22,771.22	\$20,365.36
Increased water cost		\$2,405.86
Increased water cost		\$2,405.86
Divided by gallons sold/1,000		162,873,000
Purchased water adjustment factor		\$0.0148
		or \$0.02 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2012-00421 DATED **OCT 04 2012**

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

5/8" x 3/4" Meters

First	2,000 gallons	\$12.86	Minimum Bill
Next	3,000 gallons	3.37	per 1,000 gallons
Next	5,000 gallons	2.87	per 1,000 gallons
Over	10,000 gallons	2.67	per 1,000 gallons

1" Meters

First	7,000 gallons	\$28.71	Minimum Bill
Next	3,000 gallons	2.87	per 1,000 gallons
Next	140,000 gallons	2.67	per 1,000 gallons
Over	150,000 gallons	2.42	per 1,000 gallons

Clifford Toles  
Chairman  
Farmdale Water District  
100 Highwood Drive  
Frankfort, KENTUCKY 40601