

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF GARRARD COUNTY WATER) CASE NO. 2007-00182
ASSOCIATION, INC.)

O R D E R

On May 8, 2007, Garrard County Water Association ("Garrard County") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068.

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

1. Garrard County purchases water from the city of Lancaster ("Lancaster"), the city of Danville ("Danville"), and the city of Berea ("Berea").
2. Lancaster notified Garrard County that, effective June 10, 2007 Lancaster's wholesale water rate to Garrard County would increase from \$1.78 per 1,000 gallons to \$1.83 per 1,000 gallons.¹
3. During the 12 months ending March 31, 2007, Garrard County purchased 228,599,223 gallons from Lancaster, 98,249,256 gallons from Danville and 24,859,032 gallons from Berea and sold 294,208,030 gallons. The increase in the cost of purchased water is \$11,430.00, resulting in a purchased water adjustment of \$0.04 per 1,000 gallons.

¹ See also Case No. 2007-00114, Water Rate Agreement between the City of Lancaster and Garrard County Water Association (Ky. PSC June 1, 2007).

4. The purchased water adjustment of \$0.04 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Garrard County are approved.

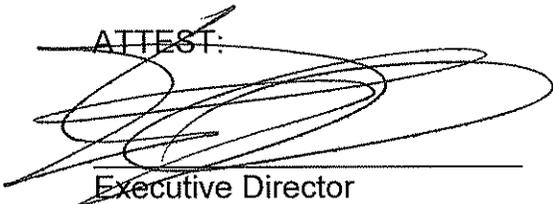
2. The purchased water adjustment of \$0.04 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after June 10, 2007.

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

Done at Frankfort, Kentucky, this 4th day of June, 2007.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2007-00182 DATED JUNE 4, 2007

The following rates and charges are prescribed for the customers in the area served by Garrard County Water Association, Inc. 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	1,000	gallons	\$ 10.04	Minimum bill
Next	1,000	gallons	5.14	per 1,000 gallons
Next	1,000	gallons	4.04	per 1,000 gallons
Next	2,000	gallons	3.84	per 1,000 gallons
Over	5,000	gallons	3.54	per 1,000 gallons

1" Meter

First	5,000	gallons	\$26.90	Minimum bill
Over	5,000	gallons	3.54	per 1,000 gallons

1-1/2" Meter

First	10,000	gallons	\$44.60	Minimum bill
Over	10,000	gallons	3.54	per 1,000 gallons

2" Meter

First	25,000	gallons	\$ 97.70	Minimum bill
Over	25,000	gallons	3.54	per 1,000 gallons

Bulk Sales

			\$4.75	per 1,000 gallons
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