

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF MADISON COUNTY UTILITIES) CASE NO. 2013-00215
DISTRICT)

ORDER

On June 5, 2013, Madison County Utilities District ("Madison County") 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. Madison County purchases water from the city of Richmond ("Richmond").
2. On July 1, 2013, Richmond increased its volumetric wholesale rate to Madison County from \$2.3001 per 100 cubic feet to \$2.40603 per 100 cubic feet.²
3. Madison County proposes to place its adjusted rates into effect July 1, 2013.
4. Madison County proposes a purchased water adjustment factor of \$0.13 per 100 cubic feet.
5. During the 12 months ending April 30, 2013, Madison County purchased 91,459,915 cubic feet of water from Richmond and sold 75,692,091 cubic feet of water.

¹ KRS 278.012; 807 KAR 5:068.

² Richmond's wholesale rate included the base rate of \$2.23510 per 100 cubic feet plus the Kentucky River Authority Fee of \$0.065 per 100 cubic feet. Its current rate has a base component of \$2.28203 per 100 cubic feet and a Kentucky River Authority Fee component of \$0.124 per 100 cubic feet. See TFS 2013-00346 (filed May 3, 2013); Letter from Dennis Brent Kirtley, Manager, Public Service Commission, to Scott Althausser, General Manager, Richmond Utilities (June 18, 2013).

The increase in the cost of purchased water is \$96,883.49, resulting in a purchased water adjustment factor of \$0.13 per 100 cubic feet.

6. The purchased water adjustment factor of \$0.13 per 100 cubic feet, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

7. The rates set forth in Appendix B are fair, just, and reasonable and should be approved for service that Madison County renders on and after July 1, 2013.

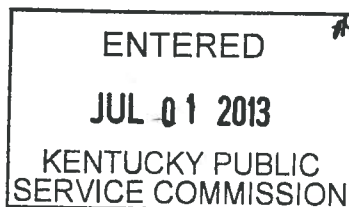
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.13 per 100 cubic feet is approved.

2. Madison County's proposed rates, which are set forth in Appendix B, are approved for services rendered on or after July 1, 2013.

3. Within 20 days of the date of this Order, Madison County shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein, with an effective date of July 1, 2013.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00215 DATED **JUL 01 2013**

	New Rate	Base Rate
Richmond		
Purchases in cubic feet	91,459,915	91,459,915
Volumetric rate	<u>\$2.40603 /100</u>	<u>\$2.3001/100</u>
	\$2,200,552.99	\$2,103,669.50
Increased water cost		\$96,883.49
Increased water cost		\$96,883.49
Divided by cubic feet sold/100		<u>75,692,091</u>
Purchased water adjustment factor		\$0.12799 per 100 cubic feet or \$0.13

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00215 DATED **JUL 01 2013**

The following rates and charges are prescribed for the customers in the area served by Madison County Utilities 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

First	280 cubic feet	\$15.83 Minimum Bill
Next	720 cubic feet	4.99 per 100 cubic feet
Next	3,000 cubic feet	4.77 per 100 cubic feet
Next	8,000 cubic feet	4.58 per 100 cubic feet
Next	88,000 cubic feet	4.39 per 100 cubic feet
Over	100,000 cubic feet	4.08 per 100 cubic feet

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