

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF U.S. 60 WATER DISTRICT) CASE NO. 2013-00312

ORDER

On August 13, 2013, U.S. 60 Water District ("U.S. 60") 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. U.S. 60 purchases water from Frankfort Plant Board ("Frankfort").
2. On July 28, 2013, Frankfort increased the Kentucky River Authority fee portion of its wholesale water rate to U.S. 60 from \$0.1079 per 1,000 gallons to \$0.20 per 1,000 gallons.²
3. U.S. 60 increased its water rates to its customers on July 28, 2013 to reflect the increased cost of purchased water.
4. During the 12 months ending June 30, 2013, U.S. 60 purchased a total of 165,363,400 gallons of water from Frankfort, and sold 140,060,800 gallons. U.S. 60 miscalculated the increase in the cost of purchased water in its application. The

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2013-00501 (Ky. PSC filed June 28, 2013); letter from Dennis Brent Kirtley, Manager, Tariffs Branch, Kentucky Public Service Commission, to Hance Price, Staff Attorney, Frankfort Plant Board (July 29, 2013).

increase in the cost of purchased water is \$15,229.97, resulting in a purchased water adjustment of \$0.11 per 1,000 gallons.

5. U.S. 60's proposed rates should be denied.

6. The purchased water adjustment of \$0.11 per 1,000 gallons is fair, just, and reasonable and should be approved.

7. The rates in Appendix B are fair, just, and reasonable and should be approved for service rendered on or after July 28, 2013.

IT IS THEREFORE ORDERED that:

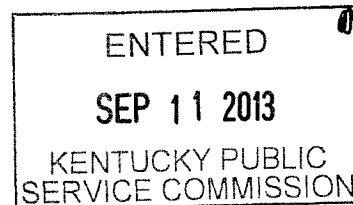
1. U.S. 60's proposed rates are denied.

2. The purchased water adjustment of \$0.11 per 1,000 gallons, as calculated in Appendix A, is approved.

3. The rates in Appendix B are approved for water service that U.S. 60 renders on and after July 28, 2013.

4. Within 20 days of the date of this Order, U.S. 60 shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2013-00312 DATED **SEP 11 2013**

| | New Rate | Base Rate | |
|-----------------------------------|----------------------|--------------------------|-------------|
| U.S. 60 Water | | | |
| Purchases in gallons | 165,363,400 | 165,363,400 | |
| Volumetric rate | <u>\$ 0.20/1,000</u> | <u>\$0.1079/1,000</u> | |
| | \$ 33,072.68 | \$ 17,842.71 | |
| | | Increased water cost | \$15,229.97 |
| Increased water cost | | \$ 15,229.97 | |
| Divided by gallons sold/1,000 | | <u>140,060.800</u> | |
| | | 0.1087 | |
| Purchased water adjustment factor | | \$0.11 per 1,000 gallons | |

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00312 DATED **SEP 11 2013**

The following rates and charges are prescribed for the customers in the area served by U.S. 60 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-Inch Meters

| | |
|---------------------|------------------------|
| First 1,000 Gallons | \$ 13.60 Minimum Bill |
| Next 2,000 Gallons | 7.15 Per 1,000 Gallons |
| Next 2,000 Gallons | 5.89 Per 1,000 Gallons |
| Over 5,000 Gallons | 5.28 Per 1,000 Gallons |

1-Inch Meters

| | |
|---------------------|------------------------|
| First 5,000 Gallons | \$ 39.68 Minimum Bill |
| Over 5,000 Gallons | 5.28 Per 1,000 Gallons |

2-Inch Meters

| | |
|----------------------|------------------------|
| First 25,000 Gallons | \$145.28 Minimum Bill |
| Over 25,000 Gallons | 5.28 Per 1,000 Gallons |

Bulk User Rate

| | |
|---------------------|------------------------|
| First 1,000 Gallons | \$ 3.44 Minimum Bill |
| Over 1,000 Gallons | 3.44 Per 1,000 Gallons |

Wholesale Water Rates

| | |
|----------------------|------------------------|
| First 25,000 Gallons | \$145.28 Minimum Bill |
| Over 25,000 Gallons | 5.28 Per 1,000 Gallons |

William Eggen
Chairman
U. S. 60 Water District of Shelby and Franklin
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