

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT) CASE NO.
FILING OF KIRKSVILLE WATER) 2014-00207
ASSOCIATION

ORDER

On June 20, 2014, Kirksville Water Association ("Kirksville Water") submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

Kirksville Water's application was marked deficient on June 26, 2014. On July 8, 2014, Kirksville Water provided the necessary information to cure the deficiencies and revised its application to correct the calculation of the purchased water adjustment factor to \$0.08.

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

1. Kirksville Water purchases water from Richmond Utilities ("Richmond").
2. On July 1, 2014, Richmond increased its volumetric wholesale rate to Kirksville Water from \$2.28203 per 100 cubic feet to \$2.31626 per 100 cubic feet, as well as its Kentucky River Authority ("KRA") withdrawal fee charge from \$0.124 per 100

¹ KRS 278.015; 807 KAR 5:068.

cubic feet to \$0.134 per 100 cubic feet.² Kirksville Water proposes to increase the water rates to its customers effective July 1, 2014.

3. During the 12 months ending April 30, 2014, Kirksville Water purchased 15,026,401 cubic feet (equivalent to 112,397,472 gallons) of water from Richmond and sold 91,280,860 gallons of water. The increase in the cost of purchased water is \$6,646.17, resulting in a purchased water adjustment factor of \$0.08 per 1,000 gallons.

4. The purchased water adjustment of \$0.08 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

5. Kirksville Water's proposed rates, as set forth in Appendix B to this Order, are fair, just, and reasonable and should be approved for water service rendered on and after July 1, 2014.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.08 per 1,000 gallons is approved.
2. Kirksville Water's proposed rates are approved for water service rendered on and after July 1, 2014.
3. Within 20 days of the date of this Order, Kirksville Water shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

² TFS 2014-00261 (Ky. PSC filed May 2, 2014); The tariff was accepted for filing by the Commission by letter dated July 1, 2014.

By the Commission

ENTERED
JUL 24 2014
KENTUCKY PUBLIC
SERVICE COMMISSION

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00207 DATED **JUL 24 2014**

	New Rate	Base Rate
Kirksville Water		
Purchases in cubic feet	15,026,401	15,026,401
Volumetric rate	<u>\$2.45026/100</u>	<u>\$2.40603/100</u>
	\$ 368,185.89	\$ 361,539.72
	Increased water cost	\$6,646.17
Increased water cost		\$ 6,646.17
Divided by gallons sold/1,000		<u>91,280,860</u>
		\$ 0.0728
Purchased water adjustment factor		\$0.08 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2014-00207 DATED **JUL 24 2014**

The following rates and charges are prescribed for the customers in the area served by Kirksville Water Association. 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-Inch Meter

First	2,000 Gallons	\$17.64 Minimum Bill
Next	3,000 Gallons	8.50 per 1,000 Gallons
Next	5,000 Gallons	7.16 per 1,000 Gallons
Over	10,000 Gallons	6.05 per 1,000 Gallons

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