

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT	)	CASE NO.
FILING OF FARMDALE WATER	)	2014-00399
DISTRICT	)	

ORDER

On November 18, 2014, Farmdale Water District (“Farmdale”) submitted an 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 purchases water from the Frankfort Electric & Water Plant Board (“Frankfort”).

2. On November 12, 2014, Frankfort increased its wholesale water rate to Farmdale from \$2.01 per 1,000 gallons to \$2.25 per 1,000 gallons.<sup>2</sup> Farmdale proposed to increase its water rates to reflect the increased cost of purchased water effective December 1, 2014.

3. During the 12 months ended August 31, 2014, Farmdale purchased 231,762,000 gallons of water from Frankfort and sold 170,496,000 gallons of water

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

<sup>2</sup> Case No. 2014-00254, *Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board* (Ky. PSC Nov. 12, 2014).

during the same 12 months. The increase in the cost of purchased water is \$55,622.88, resulting in a purchased water adjustment factor of \$0.32 per 1,000 gallons.

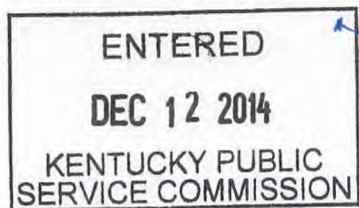
4. The purchased water adjustment of \$0.32 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

5. Farmdale'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 December 1, 2014.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.32 per 1,000 gallons is approved.
2. Farmdale's proposed rates are approved for service rendered on or after December 1, 2014.
3. Within 20 days of the date of this Order, Farmdale 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. 2014-00399 DATED **DEC 12 2014**

	New Rate	Base Rate
Farmdale		
Purchases in gallons	231,762,000	231,762,000
Volumetric rate	<u>\$ 2.25/1,000</u>	<u>\$ 2.01/1,000</u>
	\$ 521,464.50	\$ 465,841.62
	Increased water cost	\$55,622.88

Increased water cost	\$ 55,622.88
Divided by gallons sold/1,000	<u>170,496,000</u>
	\$ 0.3262

Purchased water adjustment factor \$0.32 per 1,000 gallons



## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2014-00399 DATED **DEC 12 2014**

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 Water Rates

##### 5/8-Inch x 3/4-Inch Meters

First	2,000 Gallons	\$ 16.94 Minimum Bill
Next	3,000 Gallons	5.47 per 1,000 Gallons
Next	5,000 Gallons	5.01 per 1,000 Gallons
Over	10,000 Gallons	4.53 per 1,000 Gallons

##### 1-Inch Meters

First	5,000 Gallons	\$ 33.35 Minimum Bill
Next	5,000 Gallons	5.47 per 1,000 Gallons
Next	140,000 Gallons	5.01 per 1,000 Gallons
Over	150,000 Gallons	4.53 per 1,000 Gallons

##### 4-Inch Meters

First	50,000 Gallons	\$ 239.60 Minimum Bill
Next	50,000 Gallons	5.47 per 1,000 Gallons
Next	50,000 Gallons	5.01 per 1,000 Gallons
Over	150,000 Gallons	4.53 per 1,000 Gallons

Clifford Toles  
Chairman  
Farmdale Water District  
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