### COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| PURCHASED WATER ADJUSTMENT       | ) | CASE NO.   |
|----------------------------------|---|------------|
| FILING OF JUDY WATER ASSOCIATION | ) | 2015-00027 |

### ORDER

On January 21, 2015, Judy Water Association ("Judy Water") 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. Judy Water purchases water from the Mt. Sterling Water and Sewer System ("Mt. Sterling") and the city of North Middletown ("North Middletown").
- 2. On August 1, 2014, Mt. Sterling increased its wholesale water rate to Judy Water from \$2.46 per 1,000 gallons to \$2.77 per 1,000 gallons.<sup>2</sup> Judy Water proposed to increase its water rates to reflect the increased cost of purchased water effective January 20, 2015.
- 3. During the 12 months ended December 31, 2014, Judy Water purchased 116,180,000 gallons of water from Mt. Sterling and 37,260,000 gallons of water from North Middletown, and sold 135,308,100 gallons of water. The increase in the cost of

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

<sup>&</sup>lt;sup>2</sup> TFS 2014-00390 (Ky. PSC Filed June 23, 2014); The tariff was accepted for filing by the Commission by letter dated July 31, 2014.

purchased water is \$36,015.80, resulting in a purchased water adjustment factor of \$0.27 per 1,000 gallons.

- 4. The purchased water adjustment of \$0.27 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.
- 5. The 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 January 20, 2015.

# IT IS THEREFORE ORDERED that:

- 1. The purchased water adjustment of \$0.27 per 1,000 gallons is approved.
- 2. Judy Water's proposed rates are approved.
- 3. The rates set forth in Appendix B to this Order are approved for services rendered on and after January 20, 2015.
- 4. Within 20 days of the date of this Order, Judy Water shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission

ENTERED

FEB 0 5 2015

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

**Executive Director** 

# APPENDIX A

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00027 DATED FEB 0 5 2015

| Mt. Sterling  | New Rate  | Base Rate   |
|---|---|---|
| Purchases in gallons Volumetric rate                        | 116,180,000<br><u>\$ 2.77/1,000</u><br>\$321,818.60 | 116,180,000<br><u>\$ 2.46/1,000</u><br>\$285,802.80 |
| North Middletown<br>Purchases in gallons<br>Volumetric rate | 37,260,000<br><u>No Change</u><br>\$ 0              | 37,260,000<br><u>No Change</u><br>\$ 0              |

Increased water cost \$36,015.80

Increased water cost \$ 36,015.80 Divided by gallons sold/1,000 \$ 0.2661 or

Purchased water adjustment factor \$ 0.27 per 1,000 gallons

### APPENDIX B

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00027 DATED FEB 0 5 2015

The following rates and charges are prescribed for the customers in the area served by Judy 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 1,000 Gallons
 \$12.83 Minimum Bill

 Next 4,000 Gallons
 8.46 per 1,000 Gallons

 Next 5,000 Gallons
 7.56 per 1,000 Gallons

 Over 10,000 Gallons
 6.66 per 1,000 Gallons

\*Billy Ray Fawns Judy Water Association, Inc. 2010 Maysville Road P. O. Box 781 Mt. Sterling, KY 40353-0781