

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT	)	CASE NO.
FILING OF GARRARD COUNTY WATER	)	2016-00161
ASSOCIATION, INC.		

ORDER

On April 26, 2016, Garrard County Water Association (“Garrard County”) 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. Garrard County purchases water from the city of Lancaster (“Lancaster”), the city of Danville (“Danville”) and the city of Berea (“Berea”).

2. On April 1, 2016, Lancaster increased its wholesale water rate to Garrard County from \$2.15 per 1,000 gallons to \$2.21 per 1,000 gallons.<sup>2</sup> Garrard County proposed to increase the water rates to its customers effective May 3, 2016, to reflect the increased cost of purchased water.

3. During the 12 months ended February 29, 2016, Garrard County purchased 289,320,800 gallons of water from Lancaster, 82,607,327 gallons of water from Danville, and 27,317,110 gallons of water from Berea. During the same period,

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

<sup>2</sup> TFS 2016-00214 (Ky. PSC filed April 4, 2016); The tariff was accepted for filing by the Commission by letter dated May 3, 2016.

Garrard County sold 315,844,572 gallons of water. The increase in the cost of purchased water is \$17,359.25, resulting in a purchased water adjustment factor of \$0.06 per 1,000 gallons.

4. The purchased water adjustment factor of \$0.06 per 1,000 gallons, as requested by Garrard County and 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 by Garrard County on and after May 3, 2016.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.06 per 1,000 gallons is approved.

2. Garrard County's proposed rates, as set forth in Appendix B to this Order, are approved for services rendered on and after May 3, 2016.

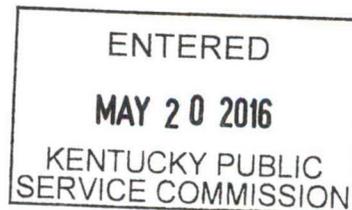
3. Within 20 days of the date of this Order, Garrard County shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission

ATTEST:



Acting Executive Director



APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00161 DATED **MAY 20 2016**

	New Rate	Base Rate
Lancaster		
Purchases in gallons	289,320,800	289,320,800
Volumetric rate	<u>\$ 2.21/1,000</u>	<u>\$ 2.15/1,000</u>
	\$ 639,398.97	\$ 622,039.72
 Danville		
Purchases in gallons	82,607,327	82,607,327
Volumetric rate	<u>\$2.41/1,000</u>	<u>\$ 2.41/1,000</u>
	N/C	N/C
 Berea		
Purchases in gallons	27,317,110	27,317,110
Volumetric rate	<u>\$2.50/1,000</u>	<u>\$2.540/1,000</u>
	N/C	N/C

Increased water cost \$17,359.25

Increased water cost	\$ 17,359.25
Divided by gallons sold/1,000	<u>315,844,572</u>
Purchased water adjustment factor	\$ 0.0549
	or \$ 0.06 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00161 DATED ~~MAY 20 2016~~

The following rates and charges are prescribed for the customers in the area served by Garrard County 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	\$ 10.62 Minimum Bill
Next	1,000 Gallons	5.72 Per 1,000 Gallons
Next	1,000 Gallons	4.62 Per 1,000 Gallons
Next	2,000 Gallons	4.42 Per 1,000 Gallons
Over	5,000 Gallons	4.12 Per 1,000 Gallons

1-Inch Meter

First	5,000 Gallons	\$ 29.80 Minimum Bill
Over	5,000 Gallons	4.12 Per 1,000 Gallons

1 1/2-Inch Meter

First	10,000 Gallons	\$ 50.40 Minimum Bill
Over	10,000 Gallons	4.12 Per 1,000 Gallons

2-Inch Meter

First	25,000 Gallons	\$111.75 Minimum Bill
Over	25,000 Gallons	4.12 Per 1,000 Gallons

Bulk Sales

\$ 5.25 Per 1,000 Gallons
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\*Garrard County Water Association, Inc.  
315 Lexington Road  
P. O. Box 670  
Lancaster, KY 40444

\*Sean Smith  
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