

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF	)	CASE NO.
BREATHITT COUNTY WATER DISTRICT	)	2016-00221

ORDER

On June 28, 2016, Breathitt County Water District (“Breathitt County”) applied 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. Breathitt County purchases water from the city of Jackson (“Jackson”) and from the city of Compton (“Compton”).

2. Jackson notified Breathitt County on May 31, 2016, that its wholesale rate to Breathitt County would increase from \$3.42 per 1,000 gallons to \$3.52 per 1,000 gallons effective July 1, 2016.<sup>2</sup> Breathitt County proposed to increase the water rates to its customers effective July 1, 2016, to reflect the increased cost of purchased water.

3. Breathitt County proposed a purchased water adjustment factor of \$0.12 per 1,000 gallons.

4. During the 12 months ended May 31, 2016, Breathitt County purchased 74,917,000 gallons of water from Jackson and 135,350 gallons of water from Compton.

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

<sup>2</sup> TFS 2016-00345 (Ky. PSC filed May 31, 2016); the tariff was accepted for filing by the Commission by letter dated June 23, 2016.

During the same period, Breathitt County sold 65,300,000 gallons of water. The increase in the cost of purchased water is \$7,491.70, resulting in a purchased water adjustment factor of \$0.12 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.12 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Breathitt County'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 by Breathitt County on and after July 1, 2016.

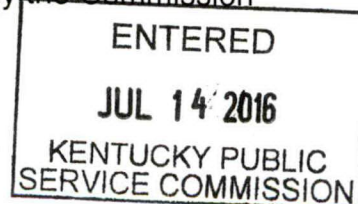
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.12 per 1,000 gallons is approved.

2. Breathitt County's proposed rates, as set forth in Appendix B to this Order, are approved for water service rendered by Breathitt County on and after July 1, 2016.

3. Within 20 days of the date of this Order, Breathitt 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:

Jalina R. Mathews  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00221 DATED

	New Rate	Base Rate
Breathitt County		
Purchases in gallons		
Jackson	74,917,000	74,917,000
Volumetric rate	<u>\$ 3.52/1,000</u>	<u>\$ 3.42/1,000</u>
	\$263,707.84	\$256,216.14
Compton	135,350	135,350
Volumetric rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Total	\$263,707.84	\$256,216.14
Increased water cost		\$7,491.70

Increased water cost	\$ 7,491.70
Divided by gallons sold/1,000	<u>65,300,000</u>
Purchased water adjustment factor	\$ 0.11472 per 1,000 gallons
or	\$ 0.12 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00221 DATED

The following rates and charges are prescribed for the customers in the area served by Breathitt County 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- x 3/4-Inch Meter

First	2,000 gallons	\$ 24.16 Minimum Bill
Over	2,000 gallons	12.08 per 1,000 gallons

Leak Adjustment	7.08 per 1,000 gallons
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Wholesale Rate

Village of Buckhorn	4.63 per 1,000 gallons
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Kentucky Mountain Bible College

First	10,000 gallons	\$120.80 Minimum Bill
Next	190,000 gallons	7.11 per 1,000 gallons
Over	200,000 gallons	5.93 per 1,000 gallons

\*Breathitt County Water District  
1137 Main Street, Suite 305  
Jackson, KY 41339

\*Bobby Thorpe, Jr.  
Chairperson  
Breathitt County Water District  
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