

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF SOUTH 641 WATER DISTRICT)	2016-00223

ORDER

On June 30, 2016, South 641 Water District ("South 641") submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

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

1. South 641 purchases water from the Murray Water and Sewer System ("Murray").

2. Murray notified South 641 on May 27, 2015, that effective July 1, 2016, its wholesale rate to South 641 would increase from \$2.01 per 1,000 gallons to \$2.21 per 1,000 gallons.² South 641 proposed to increase the water rates to its customers effective July 1, 2016, to reflect the increased cost of purchased water.

3. South 641 proposed a purchased water adjustment factor of \$0.23 per 1,000 gallons.

4. During the 12 months ended April 30, 2016, South 641 purchased 17,634,000 gallons of water from Murray and sold 15,458,520 gallons of water. The

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2015-00339 (Ky. PSC filed May 28, 2015); The tariff was accepted for filing by the Commission by letter dated July 1, 2015.

increase in the cost of purchased water is \$3,526.80, resulting in a purchased water adjustment factor of \$0.23 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.23 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. 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 South 641 on and after July 1, 2016.

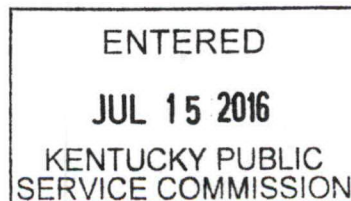
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.23 per 1,000 gallons is approved.

2. South 641's proposed rates, as set forth in Appendix B to this Order, are approved for water service rendered by South 641 on and after July 1, 2016.

3. Within 20 days of the date of this Order, South 641 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. 2016-00223 DATED **JUL 15 2016**

	New Rate	Base Rate
South 641		
Purchases in gallons	17,634,000	17,634,000
Volumetric rate	<u>\$2.21/1,000</u>	<u>\$2.01/1,000</u>
	\$ 38,971.14	\$ 35,444.34

Increased water cost \$3,526.80

Increased water cost \$ 3,526.80
Divided by gallons sold/1,000 15,458,520
Purchased water adjustment factor \$ 0.2281
or \$ 0.23 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00223 DATED **JUL 15 2016**

The following rates and charges are prescribed for the customers in the area served by South 641 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

First 2,000 gallons	\$ 19.02 Minimum Bill
Next 3,000 gallons	7.28 per 1,000 gallons
Next 5,000 gallons	6.37 per 1,000 gallons
Over 10,000 gallons	5.48 per 1,000 gallons
Bulk Sales	\$ 5.48 per 1,000 gallons

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