

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
JUDY WATER ASSOCIATION, INC.)	2016-00330

ORDER

On September 15, 2016, Judy Water Association, Inc. (“Judy”) applied 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. Judy purchases water from the city of North Middletown (“North Middletown”) and from Mount Sterling Water (“Mount Sterling”).

2. North Middletown notified Judy, that its wholesale rate to Judy would increase from \$4.77 per 1,000 gallons for the first two million gallons to \$5.01 per 1,000 gallons and from \$4.87 per 1,000 gallons for any water over two million gallons to \$5.11 per 1,000 gallons effective October 1, 2016.² Judy proposes to increase the water rates to its customers effective October 1, 2016, to reflect the increased cost of purchased water.

3. Judy proposes a purchased water adjustment factor of \$0.07 per 1,000 gallons.

¹ KRS 278.012; 807 KAR 5:068.

² TFS 2016-00515 (Ky. PSC filed Aug. 31, 2016); the tariff was accepted for filing by the Commission by letter dated Sep. 30, 2016.

4. During the 12 months ended August 31, 2016, Judy purchased 36,258,000 gallons of water from North Middletown and 116,322,100 gallons of water from Mount Sterling. During the same period, Judy sold 132,736,800 gallons of water. The increase in the cost of purchased water is \$8,701.82, resulting in a purchased water adjustment factor of \$0.07 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.07 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Judy'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 Judy on and after October 1, 2016.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.07 per 1,000 gallons is approved.

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

3. Within 20 days of the date of this Order, Judy 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
OCT 04 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2016-00330

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2016-00330 DATED **OCT 04 2016**

	New Rate	Base Rate
Judy		
Purchases in gallons		
North Middletown	24,000,000	24,000,000
1 st 2 Million-Gallon rate	<u>\$ 5.01/1,000</u>	<u>\$ 4.77/1,000</u>
	\$120,240.00	\$114,480.00
North Middletown		
Purchases in gallons	12,258,000	12,258,000
Over 2 Million-Gallon rate	<u>\$ 5.11/1,000</u>	<u>\$ 4.87/1,000</u>
	\$ 62,638.38	\$ 59,696.46
Mount Sterling		
Volumetric rate	116,322,100	116,322,100
	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Total	\$182,878.38	\$174,176.46
Increased water cost		\$8,701.92

Increased water cost \$ 8,701.92
 Divided by gallons sold/1,000 132,736,800
 Purchased water adjustment factor \$ 0.0655 per 1,000 gallons
 or \$ 0.07 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00330 DATED **OCT 04 2016**

The following rates and charges are prescribed for the customers in the area served by Judy Water Association, Inc. 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	1,000 gallons	\$ 13.07 Minimum Bill
Next	4,000 gallons	8.70 per 1,000 gallons
Next	5,000 gallons	7.80 per 1,000 gallons
Over	10,000 gallons	6.90 per 1,000 gallons

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