

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
BEECH GROVE WATER SYSTEM, INC.)	2020-00038

ORDER

On February 10, 2020, Beech Grove Water System, Inc. (Beech Grove Water), tendered an application to adjust its rates pursuant to the purchased water adjustment procedure in 807 KAR 5:068.¹ On February 18, 2020, Beech Grove Water filed an amendment to its application, noting an error in its proposed rates. Beech Grove Water had misapplied the purchased water adjustment factor to its current rates. The amendment filed by Beech Grove Water corrects this error.

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

1. Beech Grove Water purchases water from the city of Henderson (Henderson) and West Daviess County Water District (West Daviess District).
2. Henderson notified Beech Grove Water that its wholesale volumetric water rate would increase from \$2.5031 per 1,000 gallons to \$2.7470 effective March 1, 2020. Beech Grove Water proposes to increase the water rates to its customers effective March 15, 2020, to reflect the overall increase in cost of purchased water from Henderson.

¹ KRS 278.015; 807 KAR 5:068.

3. Beech Grove Water proposed a purchased water adjustment factor of \$0.2800 per 1,000 gallons in its application.

4. During the 12 months ended December 31, 2019, Beech Grove Water purchased 81,286,656 gallons of water from Henderson and 4,211,000 gallons of water from West Daviess District. During the same period, Beech Grove Water sold 71,905,590 gallons of water. The increase in the cost of purchased water is \$19,825.81, resulting in a purchased water adjustment factor of \$0.2800 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.2800 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Beech Grove Water's proposed rates should be approved.

7. 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 Beech Grove Water on and after March 15, 2020.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.2800 per 1,000 gallons is approved.

2. The rates proposed by Beech Grove Water are approved.

3. The rates as set forth in Appendix B to this Order are approved for water service rendered by Beech Grove Water on and after March 15, 2020.

4. Within 20 days of the date of entry of this Order, Beech Grove Water shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

5. This case is closed and removed from the Commission's docket.

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By the Commission

ENTERED
MAR 10 2020
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2020-00038 DATED **MAR 10 2020**

	New Rate	Base Rate
Henderson		
Purchases in Gallons	81,286,656	81,286,656
Wholesale rate	<u>\$2.7470/1,000</u>	<u>\$2.5031/1,000</u>
	\$223,294.44	\$203,468.62
West Daviess		
Purchases in Gallons	4,211,000	4,211,000
Wholesale rate	<u>No Change</u>	<u>\$3.1900/1,000</u>
	\$13,433.09	\$13,433.09
Total	\$236,727.53	\$216,901.71
Increased water cost		\$ 19,825.81
Increased water cost		\$ 19,825.81
Divided by Gallons sold/1,000		<u>71,905,590</u>
Purchased water adjustment factor		\$ 0.2757 per 1,000 Gallons
		or \$ 0.2800 per 1,000 Gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2020-00038 DATED **MAR 10 2020**

The following rates and charges are prescribed for the customers in the area served by Beech Grove Water System, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First 2,000 Gallons	\$17.34 Minimum Bill
Next 98,000 Gallons	5.48 Per 1,000 Gallons
Over 100,000 Gallons	4.58 Per 1,000 Gallons
Bulk Loading Station	2.41 Per 1,000 Gallons

*Beech Grove Water System, Inc.
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Calhoun, KY 42327

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