COMMONWEALTH OF KENTUCKY

BEFORE THE UTILITY REGULATORY COMMISSION

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In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF WARREN COUNTY WATER DISTRICT

CASE NO. 8111

<u>ORDER</u>

On December 31, 1980, Warren County Water District (Applicant) filed its notice of intention to adjust its rates for water service effective February 12, 1981. Applicant's proposed rates produce an annual increase in revenue of \$168,965. Warren County stated that the proposed changes in rates were designed to compensate for the increase in its purchased water costs by its wholesale water supplier, Bowling Green Municipal Utilities.

In order to determine the reasonableness of the proposed rates, the Commission scheduled a public hearing for February 18, 1981, and ordered the Applicant to notify its customers of the proposed rates and the time and place of the hearing. The hearing was held as scheduled with no protests being entered.

At the hearing, Warren County filed revised tariff sheets and supporting exhibits reducing its original request by \$10,848 to \$158,117, due to a reduction in its wholesale water supplier rates. The Applicant has responded to all requests for information and the matter is now considered to be fully submitted for final determination by the Commission.

Findings and Orders

The Commission, after review of the evidence of record and being advised, is of the opinion and so FINDS:

(1) That Applicant's supplier has increased its wholesale water rates effective February 12, 1981. This results in an increase in water costs to Applicant of \$154,056 based on water purchases for the year ending November 30, 1980.



(2) That Warren County Water District is entitled to recover the increased purchased water costs and its financial condition would be materially impaired if it were not allowed to recover this additional cost.

(3) That the pass through of the increased wholesale water costs by Warren County Water District will not result in any additional net income.

(4) That Warren County Water District's proposed tariffs include a Purchased Water Adjustment Clause. The Commission will defer consideration of this matter until a later date.

IT IS THEREFORE ORDERED that Warren County Water District, is hereby authorized to pass through the increased water costs resulting from the rate increase of its wholesale water supplier which was effective February 12, 1981.

IT IS FURTHER ORDERED that the rates set out in Appendix "A" shall be effective for service rendered on and after the date of this Order. .

IT IS FURTHER ORDERED that the rates sought by Warren County Water District, insofar as they differ from those set out in Appendix "A", are hereby denied.

IT IS FURTHER ORDERED that the Applicant's Purchased Water Adjustment clause is hereby denied.

IT IS FURTHER ORDERED that the Applicant shall file with this Commission within thirty (30) days from the date of this Order its revised tariff sheets setting out the rates approved herein.

> Done at Frankfort, Kentucky, this 20th day of February, 1981. UTILITY REGULATORY COMMISSION

<u>Chairman</u> <u>Muns Bonn</u> <u>Mice Chairman</u> <u>Man Ray Osken</u> <u>Commissioner</u>

ATTEST:

Secretary



APPENDIX "A"

APPENDIX TO AN ORDER OF THE UTILITY REGULATORY COMMISSION IN CASE NO. DATED FEBRUARY 20, 1981

The following schedule of rates are hereby prescribed for the customers served by the Warren County Water District. All other rates and charges not mentioned specifically herein shall remain the same as those in effect prior to the date of this Order.

5/8" x 3/4" Meter

First Next Next Next Next Next Next Over 3/4" b	2,000 gallons 3,000 gallons 3,000 gallons 4,000 gallons 20,000 gallons 50,000 gallons 60,000 gallons 3,000,000 gallons 3,142,000 gallons	2.00 1.40 1.20 1.10 .90 .80 .65	Minimum per 1000 gallons per 1000 gallons
First Next Next Next Next Next Next Over	3,000 gallons 2,000 gallons 3,000 gallons 4,000 gallons 20,000 gallons 50,000 gallons 60,000 gallons 3,000,000 gallons 3,142,000 gallons	2.00 1.40 1.20 1.10 .90 .80 .65	Minimum per 1000 gallons per 1000 gallons
<u>l" Me</u> First Next Next Next Next Next Over	ter 5,000 gallons 3,000 gallons 4,000 gallons 20,000 gallons 50,000 gallons 60,000 gallons 3,000,000 gallons 3,142,000 gallons	1.40 1.20 1.10 .90 .80 .65	Minimum per 1000 gallons per 1000 gallons per 1000 gallons per 1000 gallons per 1000 gallons per 1000 gallons per 1000 gallons
<u>l</u> ¹ / ₂ " M First Next Next Next Next Over		1.20 1.10 .90 .80	Minimum per 1000 gallons per 1000 gallons per 1000 gallons per 1000 gallons per 1000 gallons per 1000 gallons per 1000 gallons



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First Next Next Next Next Over	16,000 gallons 16,000 gallons 50,000 gallons 60,000 gallons 3,000,000 gallons 3,142,000 gallons	<pre>\$25.80 Minimum 1.10 per 1000 gallons .90 per 1000 gallons .80 per 1000 gallons .65 per 1000 gallons .55 per 1000 gallons</pre>	
<u>3" Meter</u>			
First Next Next Next Next Over	30,000 gallons 2,000 gallons 50,000 gallons 60,000 gallons 3,000,000 gallons 3,142,000 gallons	\$41.20 Minimum 1.10 per 1000 gallons .90 per 1000 gallons .80 per 1000 gallons .65 per 1000 gallons .55 per 1000 gallons	
<u>4" Meter</u>			
First Next Next Next Over <u>6" Met</u> First	60,000 gallons 3,000,000 gallons 3,142,000 gallons	<pre>\$59.60 Minimum .90 per 1000 gallons .80 per 1000 gallons .65 per 1000 gallons .55 per 1000 gallons</pre> \$102.80 Minimum	
Novt	42 000 gellons	.80 per 1000 gallons	
Next Over	3,000,000 gallons 3,142,000 gallons	.65 per 1000 gallons .55 per 1000 gallons	
8" Meter			
Over	2,982,000 gallons 3,142,000 gallons	\$148.10 Minimum .65 per 1000 gallons .55 per 1000 gallons	
10" Meter			
	550,000 gallons 2,592,000 gallons 3,142,000 gallons	\$401.60 Minimum .65 per 1,000 gallons .55 per 1,000 gallons	

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