

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT) CASE NO.
FILING OF MADISON COUNTY UTILITIES) 2014-00221
DISTRICT

ORDER

On July 3, 2014, Madison County Utilities District ("Madison County") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure¹.

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

1. Madison County purchases water from Richmond Utilities ("Richmond").
2. On July 1, 2014, Richmond increased its volumetric wholesale rate to Madison County from \$2.28203 per 100 cubic feet to \$2.31626 per 100 cubic feet, as well as its Kentucky River Authority ("KRA") withdrawal fee charge from \$0.124 per 100 cubic feet to \$0.134 per 100 cubic feet.² Madison County proposes to increase the water rates to its customers effective July 1, 2014.
3. During the 12 months ending April 30, 2014, Madison County purchased 86,434,900 cubic feet of water from Richmond and sold 74,915,347 cubic feet of water.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2014-00260 (Ky. PSC filed May 2, 2014); The tariff was accepted for filing by the Commission by letter dated July 1, 2014.

The increase in the cost of purchased water is \$38,230.16, resulting in a purchased water adjustment factor of \$0.06 per 100 cubic feet.

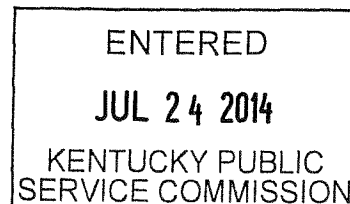
4. The purchased water adjustment of \$0.06 per 100 cubic feet, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

5. Madison 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 on and after July 1, 2014.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.06 per 100 cubic feet is approved.
2. Madison County's proposed rates are approved for water service rendered on and after July 1, 2014.
3. Within 20 days of the date of this Order, Madison 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:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00221 DATED **JUL 24 2014**

	New Rate	Base Rate
Madison County		
Purchases in cubic feet	86,434,900	86,434,900
Volumetric rate	<u>\$ 2.45026/100</u>	<u>\$ 2.40603/100</u>
	\$ 2,117,879.78	\$ 2,079,649.62
	Increased water cost	\$38,230.16
Increased water cost		\$ 38,230.16
Divided by cubic feet sold/100		<u>74,915,347</u>
		\$ 0.0510
Purchased water adjustment factor		\$0.06 per 100 cubic feet

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2014-00221 DATED **JUL 24 2014**

The following rates and charges are prescribed for the customers in the area served by Madison County Utilities 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	280 Cubic Feet	\$16.00 Minimum Bill
Next	720 Cubic Feet	5.05 per 100 Cubic Feet
Next	3,000 Cubic Feet	4.83 per 100 Cubic Feet
Next	8,000 Cubic Feet	4.64 per 100 Cubic Feet
Next	88,000 Cubic Feet	4.45 per 100 Cubic Feet
Over	100,000 Cubic Feet	4.14 per 100 Cubic Feet