

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT	)	CASE NO.
FILING OF CALDWELL COUNTY WATER	)	2014-00260
DISTRICT	)	

ORDER

On July 21, 2014, Caldwell County Water District ("Caldwell County") submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

On July 28, 2014, Caldwell County revised its application to correct an error found in its initial filing.

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

1. Caldwell County purchases water from Princeton Water & Wastewater ("Princeton") and South Hopkins Water District.

2. On August 1, 2014, Princeton increased its wholesale water rate to Caldwell County from \$2.706 per 1,000 gallons to \$3.058 per 1,000 gallons.<sup>2</sup> Caldwell County proposes to increase the water rates to its customers to reflect the increased cost of purchased water effective August 1, 2014.

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> TFS 2014-00411 (Ky. PSC filed June 30, 2014); The tariff was accepted for filing by the Commission by letter dated July 24, 2014.

3. During the 12 months ending May 30, 2014, Caldwell County purchased 99,884,798 gallons of water from Princeton and sold 77,819,823 gallons of water during the same 12 months. The increase in the cost of purchased water is \$35,159.45, resulting in a purchased water adjustment factor of \$0.46 per 1,000 gallons

4. Caldwell County miscalculated the increased cost in purchased water and the resulting purchased water adjustment factor.

5. The purchased water adjustment of \$0.46 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Caldwell County's proposed rates should be denied.

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 on and after August 1, 2014.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.46 per 1,000 gallons is approved.

2. Caldwell County's proposed rates are denied.

3. The rates in Appendix B, attached hereto and incorporated herein are approved for services on or after August 1, 2014.

4. Within 20 days of the date of this Order, Caldwell 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

ENTERED  
AUG 12 2014  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director

Case No. 2014-00260

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
 COMMISSION IN CASE NO. 2014-00260 DATED **AUG 12 2014**

	New Rate	Base Rate
Caldwell County		
Purchases in gallons	99,884,798	99,884,798
Volumetric rate	<u>\$ 3.058/1,000</u>	<u>\$ 2.706/1,000</u>
	\$ 305,447.71	\$ 270,288.26
	Increased water cost	\$35,159.45
Increased water cost	\$ 35,159.45	
Divided by gallons sold/1,000	<u>77,819,823</u>	
	\$ 0.4518	
Purchased water adjustment factor	\$0.46 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2014-002601 DATED **AUG 12 2014**

The following rates and charges are prescribed for the customers in the area served by Caldwell County 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	1,000 Gallons	\$ 21.17 Minimum Bill
Next	3,000 Gallons	10.97 Per 1,000 Gallons
Next	6,000 Gallons	8.92 Per 1,000 Gallons
Next	20,000 Gallons	6.88 Per 1,000 Gallons
Over	30,000 Gallons	6.01 Per 1,000 Gallons

Jimmy Littlefield  
Caldwell County Water District  
118 West Market Street  
Princeton, KY 42445