

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF ) CASE NO.  
BEECH GROVE WATER SYSTEM, INC. ) 2014-00384

ORDER

On November 3, 2014, Beech Grove Water System, Inc. ("Beech Grove") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

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

1. Beech Grove purchases water from the Water and Sewer Commission of the city of Henderson ("Henderson") and West Daviess County Water District ("West Daviess").

2. On October 1, 2014, Henderson's rate to Beech Grove changed from a four-step, declining block rate design to a monthly rate of \$2.9346 per 1,000 gallons.<sup>2</sup> Beech Grove proposed to decrease the water rates to its customers effective October 15, 2014.

3. During the 12 months ended September 30, 2014, Beech Grove purchased 1,729,000 gallons from West Daviess, 57,738,050 gallons from Henderson and sold 46,418,407 gallons. The decrease in the cost of purchased water is

---

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

<sup>2</sup> TFS 2014-00628 (Ky. PSC Filed Oct. 24, 2014); The tariff was accepted for filing by the Commission by letter dated Nov. 18, 2014.

(\$14,735.94), resulting in a purchased water adjustment factor of (\$0.31) per 1,000 gallons.

4. The purchased water adjustment factor of (\$0.31) per 1,000 gallons as calculated in Appendix A is fair, just, and reasonable and should be approved.

5. Beech Grove'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 October 15, 2014.

IT IS THEREFORE ORDERED that:

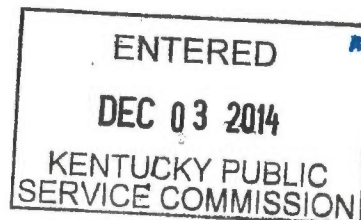
1. The purchased water adjustment factor of (\$0.31) per 1,000 gallons is approved.

2. Beech Grove's proposed rates are approved.

3. The rates in Appendix B, attached hereto and incorporated herein, are approved for service rendered on or after October 15, 2014.

4. Within 20 days of the date of this Order, Beech Grove 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. 2014-00384 DATED **DEC 03 2014**

		BASE RATES			
		BILLS	GALLONS	RATE	REVENUE
FIRST	4,000,000	12	46,152,604	\$3.25	\$149,995.96
NEXT	1,000,000		8,284,924	3.04	25,186.17
NEXT	1,000,000		3,122,790	2.74	8,556.44
OVER	6,000,000		177,732	2.45	435.44
TOTAL		12	57,738,050		\$184,174.01

		CHANGED RATES			
		BILLS	GALLONS	RATE	REVENUE
ALL USAGE		12	57,738,050	\$2.9346	\$169,438.08
TOTAL		12	57,738,050		\$169,438.08

Decreased water cost (\$14,735.93)

Decreased water cost	\$ (14,735.93)
Divided by gallons sold / 1,000	<u>46,418,407</u>
	\$ (0.3174)

Purchased water adjustment factor (\$0.31) per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2014-00384 DATED **DEC 03 2014**

The following rates and charges are prescribed for the customers in the area served by Beech Grove Water System. 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	2,000 gallons	\$ 17.56	Minimum Bill
Next	98,000 gallons	5.59	per 1,000 gallons
Over	100,000 gallons	4.69	per 1,000 gallons
Bulk Loading Station		2.52	per 1,000 gallons

Sheila Murphy  
Office Manager  
Beech Grove Water System, Inc.  
445 State Route 56 North  
Calhoun, KY 42327