

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT) CASE NO.
FILING OF WEST LAUREL WATER DISTRICT) 2016-00307

ORDER

On August 23, 2016, West Laurel Water District ("West Laurel") submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

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

1. West Laurel purchases water from Wood Creek Water District ("Wood Creek").
2. Wood Creek notified West Laurel on May 20, 2016, that its wholesale rate to West Laurel would increase from \$2.92 per 1,000 gallons to \$3.42 per 1,000 gallons, effective July 14, 2016.² West Laurel proposed to increase the water rates to its customers effective September 22, 2016, to reflect the increased cost of purchased water.
3. West Laurel proposed a purchased water adjustment factor of \$0.70 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2015-00428, *Application for Rate Adjustment to 807 KAR 5:076 of Wood Creek Water District* (Ky. PSC July 14, 2016).

4. During the 12 months ended July 31, 2016, West Laurel purchased 367,019,700 gallons of water from Wood Creek and sold 263,603,700 gallons of water. The increase in the cost of purchased water is \$183,509.85, resulting in a purchased water adjustment factor of \$0.70 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.70 per 1,000 gallons, as requested by West Laurel and calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. 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 West Laurel on and after September 22, 2016.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.70 per 1,000 gallons, as requested by West Laurel, is approved.

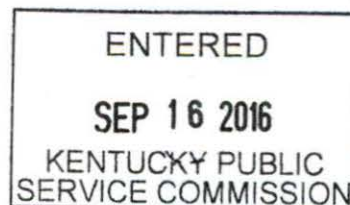
2. West Laurel's proposed rates as set forth in Appendix B to this Order are approved for water service rendered by West Laurel on and after September 22, 2016.

3. Within 20 days of the date of this Order, West Laurel 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. 2016-00307 DATED **SEP 16 2016**

	New Rate	Base Rate
West Laurel Purchases in gallons	367,019,700	367,019,700
Volumetric rate	\$ <u>3.42/1,000</u>	\$ <u>2.92/1,000</u>
	\$ 1,255,207.37	\$ 1,071,697.52

Increased water cost \$ 183,509.85

Increased water cost \$ 183,509.85
Divided by gallons sold/1,000 263,603,700
Purchased water adjustment factor \$ 0.6961

or \$ 0.70 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00307 DATED **SEP 16 2016**

The following rates and charges are prescribed for the customers in the area served by West Laurel 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

5/8-Inch X 3/4-Inch Meter

First 1,000 Gallons	\$12.44 Minimum Bill
Next 2,000 Gallons	7.57 Per 1,000 Gallons
Next 2,000 Gallons	7.21 Per 1,000 Gallons
Next 5,000 Gallons	6.76 Per 1,000 Gallons
Over 10,000 Gallons	5.59 Per 1,000 Gallons

1-Inch Meter

First 5,000 Gallons	\$42.00 Minimum Bill
Next 5,000 Gallons	6.76 Per 1,000 Gallons
Over 10,000 Gallons	5.59 Per 1,000 Gallons

2-Inch Meter

First 20,000 Gallons	\$131.70 Minimum Bill
Over 20,000 Gallons	5.59 Per 1,000 Gallons

3-Inch Meter

First 30,000 Gallons	\$187.60 Minimum Bill
Over 30,000 Gallons	5.59 Per 1,000 Gallons

Wholesale Rate	\$5.16 Per 1,000 Gallons
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*West Laurel Water Association, Inc.
1670 Hal Rogers Parkway
P. O. Box 726
London, KY 40741

*Dewayne Lewis
Wood Creek Water District
P. O. Box 726
London, KY 40743