

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
MADISON COUNTY UTILITIES DISTRICT)	2017-00227

ORDER

On May 31, 2017, Madison County Utilities District (“Madison County”) applied 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. Madison County purchases water from Richmond Utilities (“Richmond”).
2. Richmond increased its wholesale rate to Madison County from \$2.35332 per 100 cubic feet to \$2.38391 per 100 cubic feet effective July 1, 2017.² Madison County proposes to increase the water rates to its customers effective July 1, 2017, to reflect the increased cost of purchased water.
3. Madison County proposes a purchased water adjustment factor of \$0.04 per 100 cubic feet.
4. During the 12 months ended March 30, 2017, Madison County purchased 91,852,600 cubic feet of water from Richmond. During the same period, Madison County sold 77,236,799 cubic feet of water. The increase in the cost of purchased

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2017-00232 (Ky. PSC filed May 1, 2017); The tariff was accepted for filing by the Commission by letter dated June 6, 2017.

water is \$28,097.71, resulting in a purchased water adjustment factor of \$0.04 per 100 cubic feet.

5. The purchased water adjustment factor of \$0.04 per 100 cubic feet, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Madison County's rates proposed in the application should be approved.

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 by Madison County on and after July 1, 2017.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.04 per 100 cubic feet is approved.

2. The rates as set forth in Appendix B to this Order are approved for water service rendered by Madison County on and after July 1, 2017.

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

ENTERED
JUN 14 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00227 DATED **JUN 14 2017**

	New Rate	Base Rate
Madison County		
Purchases in cubic feet	91,852,600	91,852,600
Volumetric rate	<u>\$2.38391/100</u>	<u>\$2.35332/100</u>
	\$2,189,683.32	\$2,161,585.61
	Increased water cost	\$28,097.71
Increased water cost	\$ 28,097.71	
Divided by cubic feet sold/100	<u>77,236,799</u>	
Purchased water adjustment factor	\$ 0.03637	
	or \$0.04 per 100 cubic feet	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00227 DATED **JUN 14 2017**

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	\$16.25	Minimum Bill
Next	720 Cubic Feet	5.14	per 100 Cubic Feet
Next	3,000 Cubic Feet	4.92	per 100 Cubic Feet
Next	8,000 Cubic Feet	4.73	per 100 Cubic Feet
Next	88,000 Cubic Feet	4.54	per 100 Cubic Feet
Over	100,000 Cubic Feet	4.23	per 100 Cubic Feet

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