COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING) CASE NO. OF U.S 60 WATER DISTRICT) 2018-00421

ORDER

On December 20, 2018, U.S. 60 Water District (U.S. 60 District) 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:

- U.S. 60 District purchases water from the Frankfort Electric and Water Plant
 Board (Frankfort) and Shelbyville Municipal Water System (Shelbyville).
- 2. Shelbyville notified U.S. 60 District that its wholesale volumetric water rate would increase from \$2.11 per 1,000 gallons to \$2.22 effective December 19, 2018.² U.S. 60 District proposes to increase the water rates to its customers effective January 1, 2019, to reflect the increased cost of purchased water from Shelbyville.
- 3. U.S. 60 District proposed a purchased water adjustment factor of \$0.07 per 1,000 gallons in its application.

¹ KRS 278.015; 807 KAR 5:068.

 $^{^{2}}$ TFS 2018-00487 (Ky. PSC filed Oct. 25, 2018); the tariff was accepted for filing by the Commission by letter dated Dec. 19, 2018.

- 4. During the 12 months ended October 31, 2018, U.S. 60 District purchased 88,767,200 gallons of water from Frankfort and 80,482,800 gallons of water from Shelbyville. During the same period, U.S. 60 District sold 142,250,300 gallons of water. The increase in the cost of purchased water is \$8,853.11, resulting in a purchased water adjustment factor of \$0.07 per 1,000 gallons.
- 5. The purchased water adjustment factor of \$0.07 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable, and should be approved.
 - 6. U.S. 60 District's proposed rates 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 U.S. 60 District on and after January 1, 2019.

IT IS THEREFORE ORDERED that:

- 1. The purchased water adjustment factor of \$0.07 per 1,000 gallons is approved.
 - 2. The rates proposed by U.S. 60 District are approved.
- 3. The rates as set forth in Appendix B to this Order are approved for water service rendered by U.S. 60 District on and after January 1, 2019.
- 4. Within 20 days of the date of entry of this Order, U.S. 60 District 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

JAN 15 2019

KENTUCKY PUBLIC

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00421 DATED JAN 1 5 2019

	New Rate	Base Rate
Frankfort Purchases in Gallons Wholesale rate	88,767,200 NO CHANGE	88,767,200 <u>NO CHANGE</u>
Shelbyville Purchases in Gallons Wholesale rate	80,482,800 \$2.22/1,000 \$178,671.82	80,482,800 \$2.11/1,000 \$169,818.71
Total	\$178,671.82	\$169,818.71
Increased water cost		\$ 8,853.11
Increased water cost Divided by Gallons sold/1,000 Purchased water adjustment factor		\$ 8,853.11 <u>142,180,300</u> \$ 0.0623 per 1,000 Gallons
		or \$ 0.07 per 1,000 Gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00421 DATED JAN 1 5 2019

The following rates and charges are prescribed for the customers in the area served by U.S. 60 Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8- X 3/4-Inch Meters First 1,000 Gallons Next 2,000 Gallons Next 2,000 Gallons Over 5,000 Gallons	\$17.15 Minimum Bill 9.48 Per 1,000 Gallons 7.98 Per 1,000 Gallons 7.26 Per 1,000 Gallons
1-Inch Meters First 5,000 Gallons Over 5,000 Gallons	\$52.07 Minimum Bill 7.26 Per 1,000 Gallons
2-Inch Meters First 25,000 Gallons Over 25,000 Gallons	\$197.27 Minimum Bill 7.26 Per 1,000 Gallons
Bulk User Rate First 1,000 Gallons Over 1,000 Gallons	\$4.29 Minimum Bill 4.29 Per 1,000 Gallons
Wholesale Water Rates First 25,000 Gallons Over 25,000 Gallons	\$166.53 Minimum Bill 6.13 Per 1,000 Gallons

*William Eggen Chairman U. S. 60 Water District of Shelby and Franklin P. O. Box 97 Bagdad, KY 40003

*U. S. 60 Water District of Shelby and Franklin 4596 Bagdad Road P. O. Box 97 Bagdad, KY 40003