### COMMONWEALTH OF KENTUCKY

### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

# ELECTRONIC TREATED SEWAGE ADJUSTMENTCASE NO.FILING OF JESSAMINE-SOUTH ELKHORN2020-00214WATER DISTRICT)

### <u>ORDER</u>

On July 1, 2020, Jessamine-South Elkhorn Water District (Jessamine-South Elkhorn District) applied for approval to adjust its rates pursuant to the treated sewage adjustment procedure.<sup>1</sup>

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

1. Jessamine-South Elkhorn District purchases sewage treatment services from Lexington-Fayette Urban County Government (LFUCG).

2. LFUCG notified Jessamine-South Elkhorn District that, effective for sewage services rendered on and after July 1, 2020, LFUCG's wholesale sewage treatment rate to Jessamine-South Elkhorn District would increase from \$6.43 per 100 cubic feet to \$6.75 per 100 gallons. Jessamine-South Elkhorn District proposes to increase the rates to its customers effective July 1, 2020, to reflect the increased cost of treated sewage.

3. Jessamine-South Elkhorn District proposes a treated sewage adjustment factor of \$0.43 per 1,000 gallons.

<sup>&</sup>lt;sup>1</sup> KRS 278.015; 807 KAR 5:075.

4. Jessamine-South Elkhorn District bills for sewage collection and treatment services based upon a customer's water usage.

5. During the 12–month period that ended May 31, 2020, Jessamine-South Elkhorn District's sewer customers receiving service from LFUCG used 8,837,5427.87 cubic feet of water (66,109,304 gallons of water). The increase in the cost of treated sewage is \$28,280.09, resulting in a treated sewage adjustment factor of \$0.43 per 1,000 gallons.<sup>2</sup>

6. The treated sewage adjustment factor of \$0.43 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

7. Jessamine-South Elkhorn District's proposed rates, as set forth in Appendix B to this Order, are fair, just, and reasonable and should be approved for sewer service rendered by Jessamine-South Elkhorn District on and after July 1, 2020.

IT IS THEREFORE ORDERED that:

1. The treated sewage adjustment factor of \$0.43 per 1,000 gallons is approved.

2. The rates proposed by Jessamine-South Elkhorn District are approved.

3. The rates as set forth in Appendix B to this Order are approved for water service rendered by Jessamine-South Elkhorn District on and after July 1, 2020.

<sup>&</sup>lt;sup>2</sup> Jessamine-South Elkhorn District's rates are calculated per 1,000 gallons. The treated sewage adjustment factor of \$0.32 per 100 cubic feet converts to a per-1000-gallons adjustment factor of \$0.43 (\$0.32 per 100 cubic feet/.748 = \$0.43 per 1,000 gallons).

4. Within 20 days of the date of this Order, Jessamine-South Elkhorn District shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

5. This case is closed and removed from the Commission's docket.

### [REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

By the Commission



ATTEST:

Acting Executive Director

Case No. 2020-00214

### APPENDIX A

## APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2020-00214 DATED JUL 13 2020

	New Rate	Base Rate
Jessamine-South Elkhorn District LFUCG Water consumption Cubic feet Volumetric rate	8,837,527.87 <u>\$ 6.75/100</u> \$ 596,533.13	8,837,527.87 <u>\$ 6.43/100</u> \$ 568,253.04

### Increased treatment cost \$28,280.09

Increased treatment cost Divided by cubic feet sold/100 \$ 28,280.09 <u>8,837,527.87</u> \$ 0.3200 per 100 cubic feet or \$ 0.4278 per 1,000 Gallons or \$ 0.43 per 1,000 Gallons

### APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2020-00214 DATED JUL 13 2020

The following rates and charges are prescribed for the customers in the area served by Jessamine-South Elkhorn 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 Sewer Rates

First 2,000 Gallons Over 2,000 Gallons \$26.08 Minimum Bill 13.04 per 1,000 Gallons \*Henry E Smith Attorney 201 NSouth Main Street Nicholasville, KENTUCKY 40356

\*Jessamine-South Elkhorn Water District 802 S Main Street P. O. Box 731 Nicholasville, KY 40356