

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BATH COUNTY WATER	)	CASE NO.
DISTRICT FOR A PURCHASED WATER	)	2014-00449
ADJUSTMENT	)	

ORDER

On December 29, 2014, Bath County Water District (“Bath County”) submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup> The Commission notified Bath County, by letter dated December 31, 2014, of filing deficiencies in the application. On January 8, 2015, Bath County submitted a revised document curing the deficiencies in the application, and the case was considered filed as of that date.

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

1. Bath County purchases water from the Morehead Utility Plant Board (“Morehead”) and Mt. Sterling Water & Sewer System (“Mt. Sterling”).

2. On January 1, 2015, Morehead increased its wholesale water rate to Bath County. Morehead’s fixed capital charge increased from \$17,082.63 per month to \$17,258.68 per month and the volumetric rate increased from \$1.113 per 1,000 gallons to \$1.196 per 1,000 gallons. On August 1, 2014, Mt. Sterling increased its wholesale

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

water rate to Bath County from \$2.46 per 1,000 gallons to \$2.77 per 1,000 gallons.<sup>2</sup> Bath County proposes to increase its water rates to reflect the increased cost of purchased water effective January 15, 2015.

3. During the 12 months ended November 30, 2014, Bath County purchased 387,293,000 gallons of water from Morehead, 14,721,000 gallons of water from Mt. Sterling and sold 371,668,000 gallons of water. The increase in the cost of purchased water is \$38,821.43 resulting in a purchased water adjustment factor of \$0.10 per 1,000 gallons.

4. The purchased water adjustment of \$0.10 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved pursuant to Bath County's request.

5. Bath County's proposed rates 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 on and after January 15, 2015.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.10 per 1,000 gallons is approved.
2. Bath County's proposed rates are approved.
3. The rates in Appendix B to this Order are approved for services rendered on or after January 15, 2015.

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<sup>2</sup> TFS 2014-00389 (Ky. PSC filed Aug. 1, 2014); The tariff was accepted for filing by the Commission by letter dated July 31, 2014.

4. Within 20 days of the date of this Order, Bath 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  
JAN 30 2015  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2014-00449 DATED **JAN 30 2015**

	New Rate	Base Rate
Morehead		
Fixed Capital Charge	\$ 17,258.68	\$ 17,082.63
	<u>X 12 months</u>	<u>x 12 months</u>
	\$ 207,104.16	\$204,991.56
Purchases in gallons	387,293,000	387,293,000
Volumetric rate	<u>\$1.196/1,000</u>	<u>\$1.113/ 1,000</u>
	\$ 463,202.43	\$ 431,057.11
Mt. Sterling		
Purchases in gallons	14,721,000	14,721,000
Volumetric rate	<u>\$ 2.77/1,000</u>	<u>\$ 2.46/ 1,000</u>
	\$ 40,777.17	\$ 36,213.66
Total	\$711,083.76	\$672,262.33
	Increased water cost	\$38,821.43
Increased water cost	\$ 38,821.43	
Divided by gallons sold/1,000	<u>371,668,000</u>	
	\$ 0.1045	
Purchased water adjustment factor	\$0.10 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2014-00449 DATED **JAN 30 2015**

The following rates and charges are prescribed for the customers in the area served by Bath County 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.

RATES AND CHARGES

5/8- X 3/4-inch Meter

First	2,000 gallons	\$	15.76 Minimum Bill
Next	3,000 gallons		6.03 per 1,000 gallons
Next	5,000 gallons		4.60 per 1,000 gallons
Next	10,000 gallons		3.94 per 1,000 gallons
Next	30,000 gallons		3.72 per 1,000 gallons
Next	50,000 gallons		3.60 per 1,000 gallons

1-Inch Meter

First	10,000 gallons	\$	56.85 Minimum Bill
Next	10,000 gallons		3.94 per 1,000 gallons
Next	30,000 gallons		3.72 per 1,000 gallons
Over	50,000 gallons		3.60 per 1,000 gallons

2-Inch Meter

First	50,000 gallons	\$	207.85 Minimum Bill
Next	50,000 gallons		3.60 per 1,000 gallons

LEAK ADJUSTMENT RATE

\$ 2.83 per 1,000 gallons

WHOLESALE WATER RATES:

Sharpsburg Water District \$ 3.31 per 1,000 gallons

City of Frenchburg \$ 2.86 per 1,000 gallons

City of Owingsville

Monthly Debt Service Payment \$ 4,733.91 Minimum Bill  
All Usage 2.45 per 1,000 gallons

Bulk Sales \$ 8.39 per 1,000 gallons

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