

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT	)	CASE NO.
FILING OF BREATHITT COUNTY	)	2014-00358
WATER DISTRICT	)	

ORDER

On October 8, 2014, Breathitt County Water District (“Breathitt County”) submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

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

1. Breathitt County purchases water from the city of Campton (“Campton”) and the city of Jackson (“Jackson”).

2. On November 8, 2014, Jackson will increase its wholesale water rate to Breathitt County from \$2.90 per 1,000 gallons to \$3.32 per 1,000 gallons.<sup>2</sup> Breathitt County proposes to increase the water rates to its customers effective November 8, 2014.

3. During the 12 months ended September 30, 2014, Breathitt County purchased 85,785,00 gallons of water from Jackson, 98,100 gallons from Campton, and sold 54,961,000 gallons of water during the same 12 months. The increase in the cost

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

<sup>2</sup> TFS 2014-00597 (Ky. PSC Filed October 9, 2014); The tariff was accepted for filing by the Commission by letter dated October 27, 2014.

of purchased water is \$36,029.70, resulting in a purchased water adjustment factor of \$0.66 per 1,000 gallons.

4. Breathitt County inadvertently omitted its wholesale rates to the Village of Buckhorn and Kentucky Mountain Bible College, and its leak adjustment rate.

5. The purchased water adjustment of \$0.66 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Breathitt County's proposed rates should be denied.

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 on and after November 8, 2014.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.66 per 1,000 gallons is approved.

2. Breathitt County's proposed rates are denied.

3. The rates in Appendix B, attached hereto and incorporated herein, are approved for services on or after November 8, 2014.

4. Within 20 days of the date of this Order, Breathitt 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  
OCT 31 2014  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:



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Executive Director

Case No. 2014-00358

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2014-00358 DATED **OCT 31 2014**

	New Rate	Base Rate
Breathitt County		
Purchases in gallons	85,785,000	85,785,000
Volumetric rate	<u>\$3.32/1,000</u>	<u>\$2.90/1,000</u>
	\$ 284,806.20	\$ 248,776.50
	Increased water cost	\$36,029.70
Increased water cost		\$ 36,029.70
Divided by gallons sold/1,000		<u>54,961,000</u>
		0.6555
Purchased water adjustment factor		\$0.66 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2014-00358 DATED **OCT 31 2014**

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

Monthly Rates

5/8- X 4-Inch Meters

First 2,000 Gallons

\$23.66 Minimum Bill

Over 2,000 Gallons

11.83 Per 1,000 Gallons

Wholesale Rates

Village of Buckhorn

\$4.38 Per 1,000 Gallons

Kentucky Mountain Bible College

First 10,000 Gallons

\$118.30 Minimum Bill

Next 190,000 Gallons

6.86 Per 1,000 Gallons

Over 200,000 Gallons

5.68 Per 1,000 Gallons

Leak Adjustment Rate

\$6.83 Per 1,000 Gallons

Bobby Thorpe  
Chairman  
Breathitt County Water District  
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