COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER RATE ADJUSTMENT) CASE NO. OF BREATHITT COUNTY WATER DISTRICT) 2015-00203

ORDER

On June 22, 2015, Breathitt County Water District ("Breathitt County") submitted an application 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. Breathitt County purchases water from the city of Jackson ("Jackson") and the city of Campton ("Campton").
- 2. Jackson notified Breathitt County that on July 12, 2015, its wholesale water rate to Breathitt County would increase from \$3.32 per 1,000 gallons to \$3.42 per 1,000 gallons.² Breathitt County proposes to increase the water rates to its customers effective July 12, 2015, to reflect the increased cost of purchased water.
- 3. On July 2, 2015 Breathitt County supplied copies of bills from Jackson and Compton for the Month of November 2014 correcting the purchase information in the application.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2015-00367 (Ky. PSC filed June 12, 2015); The tariff was accepted for filing by the Commission by letter dated July 9, 2014.

- 4. During the 12 months ended May 31, 2015, Breathitt County purchased 85,661,000 gallons of water from Jackson and 188,600 gallons from Campton, and sold 66,416,000 gallons. The increase in the cost of purchased water is \$8,566.10, resulting in a purchased water adjustment factor of \$0.13 per 1,000 gallons.
- 5. The purchased water adjustment factor of \$0.13 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, 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 July 12, 2015.

IT IS THEREFORE ORDERED that:

- 1. The purchased water adjustment factor of \$0.13 per 1,000 gallons is approved.
- Breathitt County's proposed rates are approved for water service rendered on or after July 12, 2015.
- 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

JUL 2 0 2015

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00203 DATED JUL 2 0 2015

| Jackson Purchases in gallons Volumetric rate | New Rate | | Base Rate |
|---|--|-------------------------------------|--|
| | 85,661,000 \$ 3.42/1,000 \$ 292,960.62 | <u>)</u> | 85,661,000 \$ 3.32/1,000 \$ 284,394.52 |
| Campton Purchases in gallons Volumetric rate | 188,600 <u>No Chang</u> e | | 188,600 <u>No Change</u> |
| Increased water cost | | \$8,566.10 | |
| Increased water cost Divided by gallons sold/1,000 | | \$ 8,566.10 66,416,000 0.1289 | |
| Purchased water adjustment factor | | \$0.13 per 1.000 gallons | |

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00203 DATED

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.

RATES AND CHARGES

5/8- x 3/4-Inch Meter

First 2,000 gallons Over

2,000 gallons

Leak Adjustment

Wholesale Rate Village of Buckhorn

Kentucky Mountain Bible College

10,000 gallons First

Next 190,000 gallons Over 200,000 gallons \$ 23.92 Minimum Bill

11.96 per 1,000 gallons

6.96 per 1,000 gallons

4.51 per 1,000 gallons

\$ 119.60 Minimum Bill

6.99 per 1,000 gallons

5.81 per 1,000 gallons

*Breathitt County Water District 1137 Main Street, Suite 305 Jackson, KY 41339

*Bobby Thorpe, Jr. Chairperson Breathitt County Water District 1137 Main Street, Suite 305 Jackson, KY 41339