COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF SOUTH 641 WATER DISTRICT

CASE NO. 2015-00216

ORDER

On June 29, 2015, South 641 Water District ("South 641") 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. South 641 purchases water from the Murray Water and Sewer System ("Murray").
- 2. On July 1, 2015, Murray increased its wholesale water rate to South 641 from \$1.66 per 1,000 gallons to \$1.83 per 1,000 gallons.² South 641 proposed to increase the water rates to its customers effective July 1, 2015, to reflect the increased cost of purchased water.
- 3. During the 12 months ended April 30, 2015, South 641 purchased 17,988,450 gallons of water and sold 16,090,350 gallons of water. The increase in the cost of purchased water is \$3,058.03, resulting in a purchased water adjustment factor of \$0.20 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2015-00341 (Ky. PSC filed May 28, 2015); The tariff was accepted for filing by the Commission by letter dated July 1, 2015.

- 4. The purchased water adjustment factor of \$0.20 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.
- 5. South 641'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 1, 2015.

IT IS THEREFORE ORDERED that:

- 1. The purchased water adjustment factor of \$0.20 per 1,000 gallons is approved.
- 2. South 641's proposed rates, as set forth in Appendix B to this Order, are approved for service rendered on and after July 1, 2015.
- 3. Within 20 days of the date of this Order, South 641 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 22 2015

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00216 DATED **JUL 2 2 2015**

	New Rate	Base Rate
South 641		
Purchases in gallons	17,988,450	17,988,450
Volumetric rate	<u>\$1.83/1,000</u>	<u>\$1.66/1,000</u>
	\$ 32,918.86	\$ 29,860.83

Increased water cost \$3,058.03

Increased water cost \$ 3,058.03 Divided by gallons sold/1,000 \$ 16,090,350 \$ 0.1901

Purchased water adjustment factor \$0.20 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00216 DATED JUL 2 2 2015

The following rates and charges are prescribed for the customers in the area served by South 641 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 Water Rates

First	2,000 gailons	\$18.18 Minimum Bill
Next	3,000 gallons	6.86 per 1,000 gallons
Next	5,000 gallons	5.95 per 1,000 gallons
Over	10,000 gallons	5.06 per 1,000 gallons

*Carolyn Ray Assistant Manager South 641 Water District P. O. Box 126 Hazel, KY 42049

*South 641 Water District Highway 641 South P. O. Box 126 Hazel, KY 42049