COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF ESTILL COUNTY	í	2015-00223
WATER DISTRICT NO. 1	í	_0.0 000

ORDER

On July 6, 2015, Estill County Water District No. 1 ("Estill 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. Estill County purchases water from Irvine Municipal Utilities ("Irvine") and Jackson County Water Association ("Jackson County").
- 2. On July 19, 2015, Irvine increased its wholesale water rate to Estill County from \$2.327 per 1,000 gallons to \$2.552 per 1,000 gallons.² Estill County proposed to increase the water rates to its customers effective July 20, 2015, to reflect the increased cost of purchased water.
- 3. During the 12 months ended May 31, 2015, Estill County purchased 272,258,000 gallons of water from Irvine and 446,597 gallons from Jackson County, and sold 173,003,670 gallons of water. The increase in the cost of purchased

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¹ KRS 278.015; 807 KAR 5:068.

 $^{^2}$ TFS 2014-00199 (Ky. PSC filed April 7, 2014); The tariff was accepted for filing by the Commission by letter dated July 18, 2014.

water is \$61,258.05, resulting in a purchased water adjustment factor of \$0.35 per 1,000 gallons.

- 4. The purchased water adjustment factor of \$0.35 per 1,000 gallons, as calculated in Appendix A to this Order and requested by Estill County, is fair, just and reasonable and should be approved.
- 5. Estill 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 20, 2015.

IT IS THEREFORE ORDERED that:

- 1. The purchased water adjustment factor of \$0.35 per 1,000 gallons is approved.
- 2. Estill County's proposed rates, as set forth in Appendix B to this Order, are approved for services rendered on and after July 20, 2015.
- 3. Within 20 days of the date of this Order, Estill 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 3 0 2015

KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00223 DATED JUL 3 0 2015

Irvine Municipal	New Rate	Base Rate
Purchases in gallons Volumetric rate	272,258,000 <u>\$2.552/1,000</u> \$ 694,802.42	272,258,000 \$2.327/1,000 \$ 633,544.37
Jackson County Purchases in gallons Volumetric rate	446,597 <u>No change</u>	446,597 <u>No change</u>
	Increased water cost	\$61,258.05

Increased water cost \$ 61,258.05 Divided by gallons sold/1,000 \$ 173,003,670 \$ 0.3540

Purchased water adjustment factor \$0.35 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00223 DATED JUL 3 0 2015

The following rates and charges are prescribed for the customers in the area served by Estill County Water District No. 1. 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

5/8- x 3/4-Inch Meter First 2,000 Gallons Next 3,000 Gallons Next 5,000 Gallons Over 10,000 Gallons	\$ 17.14 Minimum Bill 8.34 Per 1,000 Gallons 8.14 Per 1,000 Gallons 6.25 Per 1,000 Gallons
1-Inch Meter First 5,000 Gallons Next 5,000 Gallons Over 10,000 Gallons	\$ 42.16 Minimum Bill 8.14 Per 1,000 Gallons 6.25 Per 1,000 Gallons
2-Inch Meter First 16,000 Gallons Over 16,000 Gallons	\$120.36 Minimum Bill 6.25 Per 1,000 Gallons

*Estill County Water District #1 76 Cedar Grove Road Irvine, KY 40336

*Audrea Miller Office Manager Estill County Water District #1 76 Cedar Grove Road Irvine, KY 40336