

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF) CASE NO.
HARRISON COUNTY WATER ASSOCIATION, INC.) 2015-00029

ORDER

On January 23, 2015, Harrison County Water Association ("Harrison County") applied 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. Harrison County purchases water from the city of Cynthiana ("Cynthiana"), the city of Paris ("Paris"), the Kentucky-American Water Company ("Kentucky-American"), the city of Millersburg ("Millersburg"), and the Nicholas County Water District ("Nicholas County").

2. Cynthiana notified Harrison County that effective January 1, 2015, Cynthiana would increase its wholesale rate to Harrison County from \$2.41 per 1,000 gallons to \$2.63 per 1,000 gallons.² Harrison County proposed to increase its water rates to reflect the increased cost of purchased water effective March 1, 2015.

3. Harrison County proposed a purchased water adjustment factor of \$.25 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2014-00737 (Ky. PSC filed Nov. 24, 2014); The tariff was accepted for filing by the Commission by letter dated Dec. 18, 2014.

4. During the 12 months ended December 31, 2014, Harrison County purchased 367,556,400 gallons of water from Cynthiana, 4,002,300 gallons from Paris, 34,222,000 gallons from Kentucky-American, 6,443,400 gallons from Millersburg, and 15,611,900 gallons from Nicholas County, During the same 12 months, Harrison County sold 325,402,294 gallons. The increase in the cost of purchased water is \$80,862.41, resulting in a purchased water adjustment of \$0.25 per 1,000 gallons.

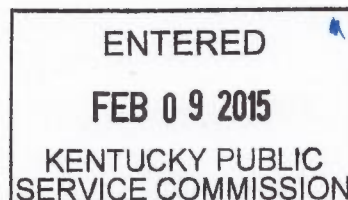
5. The purchased water adjustment of \$0.25 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Harrison 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 March 1, 2015.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.25 per 1,000 gallons is approved.
2. Harrison County's proposed rates are approved for water service rendered on and after March 1, 2015.
3. Within 20 days of the date of this Order, Harrison 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



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2015-00029 DATED

FEB 09 2015

	New Rate	Base Rate
Harrison County Purchases in gallons Cynthiana	367,556,400	367,556,400
Volumetric rate	<u>\$ 2.63/1,000</u>	<u>\$ 2.41/1,000</u>
Total	\$ 966,673.33	\$ 885,810.92

Increased water cost \$80,862.41

Increased water cost	\$ 80,862.41
Divided by gallons sold/1,000	<u>325,402,294</u>
Purchased water adjustment factor	\$ 0.24849 per 1,000 gallons
or \$	0.25 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00029 DATED **FEB 09 2015**

The following rates and charges are prescribed for the customers in the area served by Harrison County Water Association. 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-Inch Meter

First	2,000 gallons	\$16.81 Minimum Bill
Next	1,000 gallons	6.28 per 1,000 gallons
Next	2,000 gallons	6.12 per 1,000 gallons
Next	45,000 gallons	5.62 per 1,000 gallons
Over	50,000 gallons	4.78 per 1,000 gallons

3/4-Inch Meter

First	3,000 gallons	\$23.09 Minimum Bill
Next	2,000 gallons	6.12 per 1,000 gallons
Next	45,000 gallons	5.62 per 1,000 gallons
Over	50,000 gallons	4.78 per 1,000 gallons

1-Inch Meter

First	5,000 gallons	\$35.33 Minimum Bill
Next	45,000 gallons	5.62 per 1,000 gallons
Over	50,000 gallons	4.78 per 1,000 gallons

1 1/2-Inch Meter

First	10,000 gallons	\$63.43 Minimum Bill
Next	40,000 gallons	5.62 per 1,000 gallons
Over	50,000 gallons	4.78 per 1,000 gallons

2-Inch Meter

First	15,000 gallons	\$91.53 Minimum Bill
Next	35,000 gallons	5.62 per 1,000 gallons
Over	50,000 gallons	4.78 per 1,000 gallons

Bulk Loading Station		6.83 per 1,000 gallons
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William R Toadvine
President
Harrison County Water Association, Inc.
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