

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
BEECH GROVE WATER SYSTEM, INC.)	2015-00034

ORDER

On January 30, 2015, Beech Grove Water System, Inc. ("Beech Grove") 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. Beech Grove purchases water from the city of Henderson ("Henderson") and West Daviess County Water District ("West Daviess").

2. On March 1, 2015, Henderson proposes to increase its wholesale water rate to Beech Grove from \$2.9346 per 1,000 gallons to \$3.1275 per 1,000 gallons.² Beech Grove proposed to increase its water rates to reflect the increased cost of purchased water effective April 15, 2015.

3. During the 12 months ended December 31, 2014, Beech Grove purchased 63,010,118 gallons of water from Henderson and 2,256,000 gallons of water from West Daviess, and sold 65,266,118 gallons of water.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2014-00682 (Ky. PSC, Nov. 15, 2014); The tariff was accepted for filing by the Commission by letter dated Nov. 18, 2014.

The increase in the cost of purchased water is \$12,154.65, resulting in a purchased water adjustment factor of \$0.19 per 1,000 gallons.

4. In its application, Beech Grove miscalculated the increase in the cost of purchased water and the resulting purchased water adjustment factor.

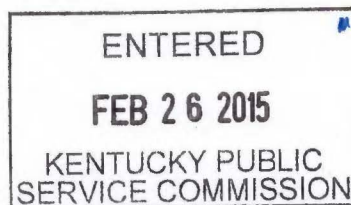
5. The purchased water adjustment of \$0.19 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. 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 April 15, 2015.

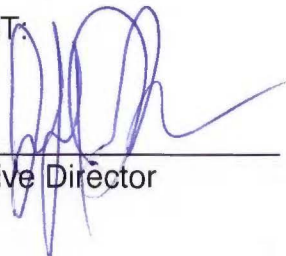
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.19 per 1,000 gallons is approved.
2. Beech Grove's proposed rates are denied.
3. The rates set forth in Appendix B to this Order are approved for services rendered on and after April 15, 2015.
4. Within 20 days of the date of this Order, Beech Grove 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. 2015-00034 DATED **FEB 26 2015**

	New Rate	Base Rate
City of Henderson		
Purchases in gallons	63,010,118	63,010,118
Volumetric rate	<u>\$3.1275/1,000</u>	<u>\$2.9346/1,000</u>
	\$ 197,064.14	\$ 184,909.49
West Daviess		
Purchases in gallons	2,256,000	2,256,000
Volumetric rate	<u>No Change</u>	<u>No Change</u>
	0	0
	Increased water cost	\$12,154.65
Increased water cost	\$ 12,154.65	
Divided by gallons sold/1,000	<u>65,266,118</u>	
	\$ 0.1862	
Purchased water adjustment factor	\$ 0.19 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00034 DATED **FEB 26 2015**

The following rates and charges are prescribed for the customers in the area served by Beech Grove Water System, Inc. 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 gallons	\$	17.94	Minimum Bill
Next	98,000 gallons		5.78	per 1,000 gallons
Over	100,000 gallons		4.88	per 1,000 gallons
Bulk Loading Station		\$	2.71	per 1,000 gallons

*Beech Grove Water System, Inc.
445 State Route 56 North
Calhoun, KY 42327

*Sheila Murphy
Office Manager
Beech Grove Water System, Inc.
445 State Route 56 North
Calhoun, KY 42327