

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF BULLOCK PEN WATER)	2015-00045
DISTRICT)	

ORDER

On February 6, 2015, Bullock Pen Water District (“Bullock Pen”) 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. Bullock Pen purchases water from Northern Kentucky Water District (“NKWD”), Boone County Water District (“Boone County”), the city of Walton (“Walton”) and the city of Williamstown (“Williamstown”).

2. On January 1, 2014, NKWD notified Bullock Pen that it would increase its wholesale water rate to \$3.26 per 1,000 gallons.² On July 1, 2014, Boone County increased its wholesale water rate to Bullock Pen to \$3.54 per 1,000 gallons. On March 1, 2014, Walton increased its wholesale water rate to Bullock Pen to \$4.24 per 1,000 gallons. On January 1, 2015, Williamstown increased its wholesale water

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2012-00072, *Application of Northern Kentucky Water District for an Adjustment of Rates, Issuance of Bonds, and Financing* (Ky. PSC July 11, 2012).

rate to Bullock Pen to \$3.10 per 1,000 gallons. Bullock Pen proposes to increase its water rates, effective March 1, 2015, to reflect the increased cost of purchased water.

3. During the 12 months ended November 30, 2014, Bullock Pen purchased 175,534,743 gallons of water from NKWD, 33,384,700 gallons from Boone County, 47,343,600 gallons from Walton, and 71,946,000 gallons from Williamstown for a total of 328,209,043 gallons. Bullock Pen sold 339,674,332 gallons of water during the same 12 months. The increase in the cost of purchased water is \$68,021.02, resulting in a purchased water adjustment factor of \$0.20 per 1,000 gallons.

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. In its application, Bullock Pen incorrectly applied the purchased water adjustment factor to its 5/8-inch x 3/4-inch meter rates.

6. Bullock Pen neglected to include the bulk loading station rate in the schedule of proposed rates provided in the application.

7. 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 March 1, 2015.

IT IS THEREFORE ORDERED that:

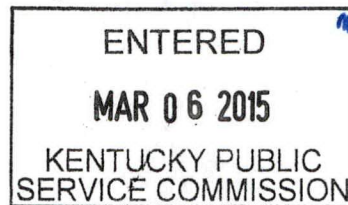
1. The purchased water adjustment factor of \$0.20 per 1,000 gallons is approved.

2. The rates proposed by Bullock Pen are denied.

3. The rates as set forth in Appendix B are approved for service rendered on or after March 1, 2015.

4. Within 20 days of the date of this Order, Bullock Pen 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. 2015-00045 DATED **MAR 06 2015**

	New Rate	Base Rate
NKWD		
Purchases in gallons	175,534,743	175,534,743
Volumetric rate	<u>\$ 3.26/1,000</u>	<u>\$ 3.13/1,000</u>
	\$ 572,243.26	\$ 549,423.75
Boone County		
Purchases in gallons	33,384,700	33,384,700
Volumetric rate	<u>\$ 3.54/1,000</u>	<u>\$ 3.44/1,000</u>
	\$ 118,181.84	\$ 114,843.37
Walton		
Purchases in gallons	47,343,600	47,343,600
Volumetric rate	<u>\$ 4.24/1,000</u>	<u>\$ 4.07/1,000</u>
	\$ 200,736.86	\$ 192,688.46
Williamstown		
Purchases in gallons	71,946,000	71,946,000
Volumetric rate	<u>\$ 3.10/1,000</u>	<u>\$ 2.63/1,000</u>
	\$ 223,032.60	\$ 189,217.98

Increased water cost \$68,021.02

Increased water cost	\$ 68,021.02
Divided by gallons sold/1,000	<u>339,674,332</u>
	\$ 0.2002
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. 2015-00045 DATED **MAR 06 2015**

The following rates and charges are prescribed for the customers in the area served by Bullock Pen 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

5/8-inch X 3/4-inch Meter

First	2,000 Gallons	\$ 26.99 Minimum Bill
Next	3,000 Gallons	9.00 per 1,000 Gallons
Next	5,000 Gallons	8.16 per 1,000 Gallons
Next	10,000 Gallons	7.31 per 1,000 Gallons
Over	20,000 Gallons	6.46 per 1,000 Gallons

1-inch Meter

First	5,000 Gallons	\$ 53.99 Minimum Bill
Next	5,000 Gallons	8.16 per 1,000 Gallons
Next	10,000 Gallons	7.31 per 1,000 Gallons
Over	20,000 Gallons	6.46 per 1,000 Gallons

1 1/2-inch Meter

First	10,000 Gallons	\$ 94.79 Minimum Bill
Next	10,000 Gallons	7.31 per 1,000 Gallons
Over	20,000 Gallons	6.46 per 1,000 Gallons

2-inch Meter

First	20,000 Gallons	\$167.89 Minimum Bill
Over	20,000 Gallons	6.46 per 1,000 Gallons

Bulk Loading Station	\$ 7.18 per 1,000 Gallons
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