

KNOX COUNTY UTILITY COMMISSION

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RECEIVED

JUL 15 2015

PUBLIC SERVICE
COMMISSION

July 7, 2015

Mr. Jeff R. Derouen
Executive Director
Kentucky Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

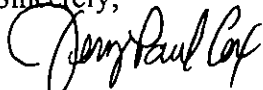
RE: Case No. 2015-00142
Application for an Adjustment in Rates Pursuant to the
Alternative Rate Adjustment Procedure for Small
Utilities (807 KAR 5:076)

Dear Director Derouen:

Pursuant to Public Service Commission staff request, the Knox County Utility Commission is hereby submitting an updated usage/revenue analysis based on calendar year 2014.

If additional information is needed or should questions arise please contact us.

Sincerely,



Jerry Paul Cox
Chairman

**Revenue from Present/Proposed Rates
Test Period from 01-01-14 to 12-31-14**

Existing Rates

USAGE TABLE

(Usage by Rate Increment)

Class: 5/8" x 3/4" meters

	Bills	Gallons	First 1,000	Over 1,000	Total
Minimum Bills (<1,000)	5,747	2,364,200	2,364,200		2,364,200
Over 1,000	27,819	120,248,500	27,819,000	92,429,500	120,248,500
Totals	33,566	122,612,700	30,183,200	92,429,500	122,612,700

REVENUE TABLE

Revenue by Rate Increment

	Bills	Gallons	Rates	Revenue
Minimum Bills (<1,000)	33,566	30,183,200	15.43 (min.)	517,923.38
Over 1,000		92,429,500	@ 6.10/1,000	563,819.95
Totals	33,566	122,612,700		1,081,743.33

Class: 1" Meters

	Bills	Gallons	First 5,000	Over 5,000	Total
Minimum Bills (<5,000)	53	188,200	188,200		188,200
Over 5,000	33	447,400	165,000	282,400	447,400
Totals	86	635,600	353,200	282,400	635,600

	Bills	Gallons	Rates	Revenue
Minimum Bills (<5,000)	86	353,200	39.83 (min.)	3,425.38
Over 5,000		282,400	@ 6.10/1,000	1,722.64
Totals	86	635,600		5,148.02

Class: 2" Meters

	Bills	Gallons	First 20,000	Over 20,000	Total
Minimum Bills (<20,000)	23	235,400	235,400		235,400
Over 20,000	16	525,600	320,000	205,600	525,600
Totals	39	761,000	555,400	205,600	761,000

	Bills	Gallons	Rates	Revenue
Minimum Bills (<20,000)	39	555,400	131.33 (min.)	5,121.87
Over 20,000		205,600	@ 6.10/1,000	1,254.16
Totals	39	761,000		6,376.03

Class: 4" Meters

	Bills	Gallons	First 50,000	Over 50,000	Total
Minimum Bills (<50,000)	12	300,000	300,000		300,000
Over 50,000	12	1,939,000	600,000	1,339,000	1,939,000
Totals	24	2,239,000	900,000	1,339,000	2,239,000

	Bills	Gallons	Rates	Revenue
Minimum Bills (<50,000)	24	900,000	314.33 (min.)	7,543.92
Over 50,000		1,339,000	@ 6.10/1,000	8,167.90
Totals	24	2,239,000		15,711.82

Proposed Rates

USAGE TABLE
(Usage by Rate Increment)

Class: 5/8" x 3/4" meters

	Bills	Gallons	First 1,000	Over 1,000	Total
Minimum Bills (<1,000)	5,747	2,364,200	2,364,200		2,364,200
Over 1,000	27,819	120,248,500	27,819,000	92,429,500	120,248,500
Totals	33,566	122,612,700	30,183,200	92,429,500	122,612,700

REVENUE TABLE
Revenue by Rate Increment

	Bills	Gallons	Rates	Revenue
Minimum Bills (1,000)	33,566	30,183,200	17.43 (min.)	585,055.38
Over 1,000		92,429,500	@ 8.10/1,000	748,678.95
Totals	33,566	122,612,700		1,333,734.33

Class: 1" Meters

	Bills	Gallons	First 5,000	Over 5,000	Total
Minimum Bills (<5,000)	53	188,200	188,200		188,200
Over 5,000	33	447,400	165,000	282,400	447,400
Totals	86	635,600	353,200	282,400	635,600

	Bills	Gallons	Rates	Revenue
Minimum Bills (<5,000)	86	353,200	49.83 (min.)	4,285.38
Over 5,000		282,400	@ 8.10/1,000	2,287.44
6,572.82	86	635,600		6,572.82

Class: 2" Meters

	Bills	Gallons	First 20,000	Over 20,000	Total
Minimum Bills (<20,000)	23	235,400	235,400		235,400
Over 20,000	16	525,600	320,000	205,600	525,600
Totals	39	761,000	555,400	205,600	761,000

	Bills	Gallons	Rates	Revenue
Minimum Bills (<20,000)	39	555,400	171.33 (min.)	6,681.87
Over 20,000		205,600	@ 8.10/1,000	1,665.36
Totals	39	761,000		8,347.23

Class: 4" Meters

	Bills	Gallons	First 50,000	Over 50,000	Total
Minimum Bills (<50,000)	12	300,000	300,000		300,000
Over 50,000	12	1,933,000	600,000	1,333,000	1,933,000
Totals	24	2,233,000	900,000	1,333,000	2,233,000

	Bills	Gallons	Rates	Revenue
Minimum Bills (<50,000)	24	900,000	414.33 (min.)	9,943.92
Over 50,000		1,333,000	@ 8.10/1,000	10,797.30
Totals	24	2,233,000		20,741.22

SUMMARY
REVENUE FROM PRESENT AND PROPOSED RATES
TEST YEAR 1-01-14 thru 12-31-14

PRESENT RATES

5/8'x3/4' Meters	\$1,081,743.33
1" Meters	5,148.02
2" Meters	6,376.03
4" Meters	15,711.82

Total Revenue	\$1,108,979.20

PROPOSED RATES

5/8'x3/4' Meters	\$1,333,734.33
1" Meters	6,572.82
2" Meters	8,347.23
4" Meters	20,741.22

Total Revenue	\$1,369,395.60
Revenue Increase	\$260,416.40