COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF) CASE NO. MONROE COUNTY WATER DISTRICT) 2016-00092

ORDER

On February 23, 2016, Monroe County Water District ("Monroe District") 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:

- Monroe District purchases water from the city of Tompkinsville ("Tompkinsville").
- 2. On January 8, 2016, Tompkinsville notified Monroe District that it would increase its wholesale rate to Monroe District from \$1.88 per 1,000 gallons to \$2.25 per 1,000 gallons effective February 8, 2016.² Monroe District proposed to increase the water rates to its customers effective March 1, 2016, to reflect the increased cost of purchased water.
- Monroe District proposed a purchased water adjustment factor of \$0.49
 per 1,000 gallons.
- 4. During the 12 months ended November 30, 2015, Monroe District purchased 272,142,800 gallons of water from Tompkinsville and sold 209,097,144

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2016-00014 (Ky. PSC filed Jan. 11, 2016); The tariff was accepted for filing by the Commission by letter dated Feb. 10, 2016.

gallons. The increase in the cost of purchased water is \$100,692.84, resulting in a purchased water adjustment factor of \$0.49 per 1,000 gallons.

- The purchased water adjustment factor of \$0.49 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.
 - 6. Monroe District's proposed rates should be approved.
- 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 by Monroe District on and after March 1, 2016.

IT IS THEREFORE ORDERED that:

- 1. The purchased water adjustment factor of \$0.49 per 1,000 gallons is approved.
 - 2. Monroe District's proposed rates are approved.
- The rates as set forth in Appendix B to this Order are approved for water service rendered by Monroe District on and after March 1, 2016.
- 4. Within 20 days of the date of this Order, Monroe District 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

MAR 1 8 2016

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Acting Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00092 DATED MAR 1 8 2016

Monroe District	New Rate	Base Rate
Purchases in gallons Tompkinsville Volumetric rate	272,142,800 \$ 2.25/1,000 \$ 612,321.30	272,142,800 \$ 1.88/1,000 \$ 511,628.46
Increased water cost	\$ 100,692.84	
Increased water cost Divided by gallons sole Purchased water adju		\$100,692.84 <u>209,097,800</u> \$0.4816 per 1,000 gallons or \$0.49 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00092 DATED MAR 1 8 2016

The following rates and charges are prescribed for the customers in the area served by Monroe County 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 First Next Next Over	2,000 3,000 5,000	gallons gallons gallons gallons	\$18.93 Minimum Bill 7.79 per 1,000 gallons 6.59 per 1,000 gallons 5.69 per 1,000 gallons
1-Inch I First Next Over	5,000 5,000	gallons gallons gallons	\$42.30 Minimum Bill 6.59 per 1,000 gallons 5.69 per 1,000 gallons
2-Inch I First Over	20,000	gallons gallons	\$132.15 Minimum Bill 5.69 per 1,000 gallons

*Monroe County Water District 205 Capp Harlan Road Tompkinsville, KY 42167

*Richard O Ross General Manager Monroe County Water District 205 Capp Harlan Road Tompkinsville, KY 42167