



Henderson District proposed to decrease the water rates to its customers effective April 1, 2016, to reflect the decreased cost of purchased water. However, as Henderson decreased its rate effective March 1, 2016,<sup>3</sup> Henderson District's requested effective date should be denied pursuant to 807 KAR5:068(2)(2), and Henderson District's revised rates should become effective on March 1, 2016.

3. Henderson District proposed a purchased water adjustment factor of \$(0.18) per 1,000 gallons. Henderson District's application contained a mathematical error in the decrease from Henderson-South. Henderson District used the rate of \$3.129, and the rate they should have used was \$3.1209. This calculates to a purchased water adjustment factor of \$(0.17) per 1,000 gallons.

4. During the 12 months ended December 31, 2015, Henderson District purchased 401,596,111 gallons of water from Henderson-North and 58,344,500 from Henderson-South, and sold 341,685,508 gallons of water. The decrease in the cost of purchased water is \$(61,149.55), resulting in a purchased water adjustment factor of \$(0.17) per 1,000 gallons.

5. The purchased water adjustment factor of \$(0.17) per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Henderson District's proposed rates should be denied.

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 Henderson District on and after March 1, 2016.

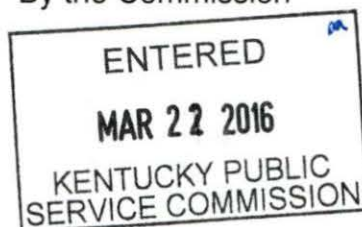
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<sup>3</sup> TFS 2015-00387 (Ky. PSC filed June 22, 2015); The tariff was accepted for filing by the Commission by letter dated July 31, 2015.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$(0.17) per 1,000 gallons is approved.
2. Henderson District's proposed rates are denied.
3. The rates, as set forth in Appendix B to this Order, are approved for water service rendered by Henderson District on and after March 1, 2016.
4. Within 20 days of the date of this Order, Henderson 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



ATTEST:

  
Acting Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
 COMMISSION IN CASE NO. 2016-00101 DATED **MAR 22 2016**

	New Rate	Base Rate
Henderson District Purchases in gallons		
Henderson-North	401,596,111	401,596,111
Volumetric rate	<u>\$2.4507/1,000</u>	<u>\$ 2.48/1,000</u>
	\$ 984,191.59	\$995,958.36
Henderson-South	58,344,500	58,344,500
Volumetric rate	<u>\$2.2745/1,000</u>	<u>\$3.1209/1,000</u>
	\$ 132,704.57	\$ 182,087.35
Total	\$1,116,896.16	1,178,045.71
Decreased water cost		(\$61,149.55)
Increased water cost		\$(61,149.55)
Divided by gallons sold/1,000		<u>341,685.508</u>
Purchased water adjustment factor		\$(0.17896) per 1,000 gallons or \$(0.17) per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00101 DATED **MAR 22 2016**

The following rates and charges are prescribed for the customers in the area served by Henderson 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 Meter

First	2,000 gallons	\$18.70 per 1,000 gallons
Next	8,000 gallons	6.66 per 1,000 gallons
Next	20,000 gallons	6.13 per 1,000 gallons
Over	30,000 gallons	5.60 per 1,000 gallons

1-Inch Meter

First	5,000 gallons	\$38.68 per 1,000 gallons
Next	5,000 gallons	6.66 per 1,000 gallons
Next	20,000 gallons	6.13 per 1,000 gallons
Over	30,000 gallons	5.60 per 1,000 gallons

2-Inch Meter

First	16,000 gallons	\$108.76 per 1,000 gallons
Next	14,000 gallons	6.66 per 1,000 gallons
Over	30,000 gallons	5.60 per 1,000 gallons

3-Inch Meter

First	30,000 gallons	\$194.58 per 1,000 gallons
Over	30,000 gallons	5.60 per 1,000 gallons

4-Inch Meter

First	50,000 gallons	\$306.58 per 1,000 gallons
Over	50,000 gallons	5.60 per 1,000 gallons

6-Inch Meter

First	100,000 gallons	\$586.58 per 1,000 gallons
Over	100,000 gallons	5.60 per 1,000 gallons

Volunteer Fire Department Rate	18.70 per Month
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