

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF MCKINNEY WATER)	
DISTRICT TO IMPLEMENT A NEW)	CASE NO.
NONRECURRING CHARGE AND REVISE)	2016-00277
CERTAIN NONRECURRING CHARGES)	

ORDER

On July 29, 2016, McKinney Water District ("McKinney District") submitted an application for authority to revise certain non-recurring charges through the Commission's tariff filing system. Finding further proceedings were necessary to determine the reasonableness of the proposed revisions, the Commission issued an Order on August 1, 2016, suspending the proposed charges from September 1, 2016, up to and including January 31, 2017. On August 26, 2016, Commission Staff issued its first request for information ("Staff's First Request") via electronic mail with responses due by September 6, 2016. McKinney District filed its responses to Staff's First Request on September 9, 2016.

McKinney District's application included cost-justification sheets for each of the proposed charges. The cost-justification sheet lists the individual expenses incurred by the utility to provide the stated service. The cost-justification sheet for McKinney District's average meter connection expense included an amount of \$250.00 for a road bore under the Installation Miscellaneous Expense category. McKinney District's responses to Staff's First Request, Item 5, explained that the \$250.00 charge for a road

bore should have been included under the Installation Equipment Expense category, and divided by two, since a road bore is required only for a long-side service installation and not for a short-side service installation. McKinney District provided revised cost-justification sheets for its meter connection expense that reflect the reclassification of the itemized expense amount for a road bore, and the revised charge has been reduced from \$1,175 to \$1,050.

McKinney District has provided adequate evidence of the individual expenses incurred to provide the services associated with the proposed charges.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. The cost-justification sheet provided in the application for the Average Meter Connection Expense misapplied the expense for a road bore.
2. The revised cost-justification sheet provided by McKinney District in response to Staff's First Request correctly revised the Average Meter Connection Expense to \$1,050.
3. The charges set forth in the Appendix to this Order are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. McKinney District's proposed nonrecurring charges are denied.
2. The charges in the Appendix to this Order are approved for services rendered on and after the date of this Order.

3. Within 20 days of the date of this Order, McKinney 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
NOV 30 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00277 DATED **NOV 30 2016**

The following rates, charges, and policies are prescribed for the customers in the area served by McKinney Water District. All other rates, charges, and policies 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.

Meter Connection Charge 5/8- X 3/4-Inch meter	\$1,050.00
Deposit 5/8- X 3/4-Inch	\$80.00
Meter Re-read Charge	\$35.00
Service Call/Investigation	\$35.00
Meter Reconnection Charge	\$35.00
Meter Test Charge	Actual Cost
Meter Service Damage Charge	Actual Cost

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