

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
U.S. 60 WATER DISTRICT)	2016-00366

ORDER

On November 4, 2016, U.S. 60 Water District (“U.S. 60”) 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:

1. U.S. 60 purchases water from Frankfort Electric & Water Plant Board (“Frankfort”).

2. Frankfort notified U.S. 60 that, effective November 12, 2016, Frankfort’s wholesale rate to U.S. 60 would increase from \$2.25 per 1,000 gallons to \$2.45 per 1,000 gallons.² U.S. 60 proposes to increase the water rates to its customers effective November 12, 2016, to reflect the increased cost of purchased water.

3. U.S. 60 proposes a purchased water adjustment factor of \$0.25 per 1,000 gallons.

4. During the 12 months ended September 30, 2016, U.S. 60 purchased 165,538,800 gallons of water from Frankfort. During the same period, U.S. 60 sold

¹ KRS 278.015; 807 KAR 5:068.

² See Case No. 2014-0254, *Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board*, Parties Joint Settlement Stipulation and Recommendation (filed Oct. 10, 2014).

134,413,300 gallons of water. The increase in the cost of purchased water is \$33,107.76, resulting in a purchased water adjustment factor of \$0.25 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.25 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just and reasonable and should be approved.

6. U.S. 60's proposed rates, as set forth in Appendix B to this Order, are fair, just and reasonable and should be approved for water service rendered by U.S. 60 on and after November 12, 2016.

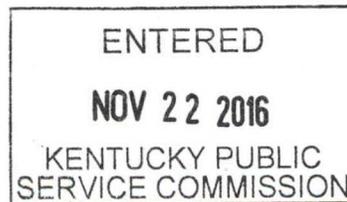
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.25 per 1,000 gallons is approved.

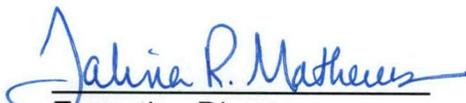
2. U.S. 60's proposed rates as set forth in Appendix B to this Order are approved for water service rendered by U.S. 60 on and after November 12, 2016.

3. Within 20 days of the date of this Order, U.S. 60 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. 2016-00366 DATED **NOV 22 2016**

	New Rate	Base Rate
U.S. 60		
Purchases in gallons	165,538,800	165,538,800
Volumetric rate	\$ <u>2.45/1,000</u>	\$ <u>2.25/1,000</u>
	\$ 405,570.06	\$ 372,462.30

Increased water cost \$ 33,107.76

Increased water cost	\$ 33,107.76
Divided by gallons sold/1,000	<u>134,413,300</u>
Purchased water adjustment factor	\$ 0.2463

or \$ 0.25 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00366 DATED **NOV 22 2016**

The following rates and charges are prescribed for the customers in the area served by U.S. 60 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 Rates

5/8- X 3/4-Inch Meters

First 1,000 Gallons	\$ 14.14 Minimum Bill
Next 2,000 Gallons	7.69 Per 1,000 Gallons
Next 2,000 Gallons	6.43 Per 1,000 Gallons
Over 5,000 Gallons	5.82 Per 1,000 Gallons

1-Inch Meters

First 5,000 Gallons	\$ 42.38 Minimum Bill
Over 5,000 Gallons	5.82 Per 1,000 Gallons

2-Inch Meters

First 25,000 Gallons	\$158.78 Minimum Bill
Over 25,000 Gallons	5.82 Per 1,000 Gallons

Bulk User Rate

First 1,000 Gallons	\$ 3.98 Minimum Bill
Over 1,000 Gallons	3.98 Per 1,000 Gallons

Wholesale Water Rates

First 25,000 Gallons	\$158.78 Minimum Bill
Over 25,000 Gallons	5.82 Per 1,000 Gallons

*William Eggen
Chairman
U. S. 60 Water District of Shelby and Franklin
P. O. Box 97
Bagdad, KY 40003

*U. S. 60 Water District of Shelby and Franklin
4596 Bagdad Road
P. O. Box 97
Bagdad, KY 40003