

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF BRACKEN COUNTY WATER)	2016-00172
DISTRICT)	

ORDER

On May 13, 2016, Bracken County Water District (“Bracken County”) submitted an application 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. Bracken County purchases water from the city of Augusta (“Augusta”).
2. On April 21, 2016, Augusta increased its wholesale water rate to Bracken County from \$2.31 per 1,000 gallons to \$2.35 per 1,000 gallons.² Bracken County proposed to increase the water rates to its customers effective May 1, 2016, to reflect the increased cost of purchased water.
3. On May 27, 2016, Bracken County filed a request for deviation from 807 KAR 5:068, Section 2, in order to increase its bulk loading station rate from \$8.75 to \$9.00 per 1,000 gallons, since the station will accept only quarters as a method of

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2016-000318 (Ky. PSC Filed May 20, 2016): Letter from Dennis Brent Kirtley, Tariff Branch Manager, Public Service Commission to Todd Osterloh, Counsel for City of Augusta (June 2, 2016).

payment. Bracken County does not typically increase its bulk loading station rate in a purchased water adjustment filing and has not done so since Commission Case No. 2012-00005.³ Consequently, the Commission finds that a 25-cent increase covering previous purchased water cost increases is justified.

4. During the 12 months ended February 29, 2016, Bracken County purchased 156,537,300 gallons of water from Augusta and sold 134,409,400 gallons of water. The increase in the cost of purchased water is \$6,261.50, resulting in a purchased water adjustment factor of \$0.05 per 1,000 gallons.

5. The purchased water adjustment of \$0.05 per 1,000 gallons, as requested by Bracken County and calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. 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 Bracken County on and after May 1, 2016.

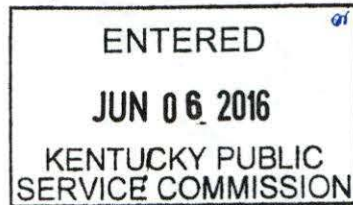
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.05 per 1,000 gallons is approved.
2. Bracken County's request for deviation is approved.
3. Bracken County's proposed rates, as set forth in Appendix B to this Order, are approved for services rendered on and after April 21, 2016.

³ Case No. 2012-00005, *Purchased Water Adjustment Filing of Bracken County Water District* (Ky. PSC Feb. 2, 2012).

4. Within 20 days of the date of this Order, Bracken County 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. 2016-00172 DATED **JUN 06 2016**

	New Rate	Base Rate
Augusta		
Purchases in gallons	156,537,300	156,537,300
Volumetric rate	<u>\$2.35/1,000</u>	<u>\$2.31/1,000</u>
	\$367,862.66	\$361,601.16

Increased water cost \$6,261.50

Increased water cost	\$	6,261.50
Divided by gallons sold/1,000		<u>134,409,400</u>
Purchased water adjustment factor	\$	0.0465
	or \$	0.05 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00172 DATED **JUN 06 2016**

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

First 2,000 Gallons	\$25.89 Minimum Bill
Next 38,000 Gallons	9.89 Per 1,000 Gallons
Over 40,000 Gallons	7.86 Per 1,000 Gallons
Multiple Users	25.89 Per Unit
Wholesale Water Rate	\$3.79 Per 1,000 Gallons
Bulk Sales	\$9.00 Per 1,000 Gallons

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