

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF ) CASE NO.  
ESTILL COUNTY WATER DISTRICT NO. 1 ) 2016-00256

ORDER

On July 13, 2016, Estill County Water District No. 1 (“Estill County”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

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

1. Estill County purchases water from the city of Irvine Municipal Utilities (“Irvine”) and from the Jackson County Water Association (“Jackson County”).

2. Irvine notified Estill County on March 22, 2016, that its wholesale rate to Estill County would increase from \$2.571 per 1,000 gallons to \$2.587 per 1,000 gallons effective July 19, 2016.<sup>2</sup> Estill County proposes to increase the water rates to its customers effective July 19, 2016, to reflect the increased cost of purchased water.

3. Estill County proposes a purchased water adjustment factor of \$0.03 per 1,000 gallons.

4. During the 12 months ended May 31, 2016, Estill County purchased 254,522,000 gallons of water from Irvine and 375,299 gallons of water from Jackson

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> TFS 2016-00345 (Ky. PSC filed May 31, 2016); The tariff was accepted for filing by the Commission by letter dated June 23, 2016.

County. During the same period, Estill County sold 166,531,311 gallons of water. The increase in the cost of purchased water is \$4,072.35, resulting in a purchased water adjustment factor of \$0.03 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.03 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Estill County'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 Estill County on and after July 19, 2016.

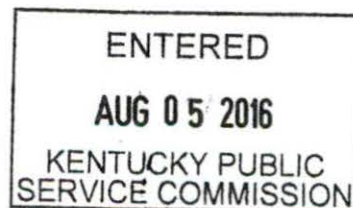
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.03 per 1,000 gallons is approved.

2. Estill County's proposed rates, as set forth in Appendix B to this Order, are approved for water service rendered by Estill County on and after July 19, 2016.

3. Within 20 days of the date of this Order, Estill 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:

*Jaline R. Mathews*

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
 COMMISSION IN CASE NO. 2016-00256 DATED **AUG 05 2016**

	New Rate	Base Rate
Estill County		
Purchases in gallons		
Irvine	254,522,000	254,522,000
Volumetric rate	<u>\$ 2.587/1,000</u>	<u>\$ 2.571/1,000</u>
	\$ 658,448.41	\$ 654,376.06
Jackson County	375,299	375,299
Volumetric rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Total	\$658,448.41	\$654,376.06

Increased water cost \$4,072.35

Increased water cost \$ 4,072.35  
 Divided by gallons sold/1,000 166,531,311  
 Purchased water adjustment factor \$ 0.0245 per 1,000 gallons  
 or \$ 0.03 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00256 DATED **AUG 05 2016**

The following rates and charges are prescribed for the customers in the area served by Estill County Water District No. 1. 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- x 3/4-Inch Meter

First 2,000 gallons	\$ 17.20 Minimum Bill
Next 3,000 gallons	8.37 per 1,000 gallons
Next 5,000 gallons	8.17 per 1,000 gallons
Over 10,000 gallons	6.28 per 1,000 gallons

1-Inch Meter

First 5,000 gallons	\$ 42.31 Minimum Bill
Next 5,000 gallons	8.17 per 1,000 gallons
Over 10,000 gallons	6.28 per 1,000 gallons

2-Inch Meter

First 16,000 gallons	\$ 120.84 Minimum Bill
Over 16,000 gallons	6.28 per 1,000 gallons

\*Estill County Water District #1  
76 Cedar Grove Road  
Irvine, KY 40336

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