

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
WARREN COUNTY WATER DISTRICT)	2016-00430

ORDER

On December 9, 2016, Warren County Water District ("Warren 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. Warren County purchases water from Bowling Green Municipal Utilities ("Bowling Green") at four separate metering points. Warren County, pursuant to an agreement with Bowling Green, also sells water back to Bowling Green at the Cemetery Road metering point.

2. Bowling Green notified Warren County, that effective January 1, 2017, Bowling Green's wholesale rate to Warren County would increase as follows: (1) from \$1.8285 per 1,000 gallons to \$1.9158 per 1,000 gallons at the Southside metering point; (2) from \$1.0838 per 1,000 gallons to \$1.4312 per 1,000 gallons at the Morgantown Road metering point; (3) from \$1.0525 per 1,000 gallons to \$1.3924 per 1,000 gallons at the Northside metering point; and (4) from \$1.0608 per 1,000 gallons to \$1.3309 per

¹ KRS 278.015; 807 KAR 5:068.

1,000 gallons at the Cemetery Road metering point.² Warren County proposes to increase the water rates to its customers effective January 1, 2017, to reflect the increased cost of purchased water.

3. Warren County proposes a purchased water adjustment factor of \$0.35 per 1,000 gallons for its customers other than Bowling Green at the Cemetery Road metering point.

4. During the 12 months ended October 31, 2016, Warren County purchased a total of 28,068 gallons of water from the Southside metering point, 1,746,042,058 gallons from the Cemetery Road metering point, 249,388,213 gallons from the Morgantown Road metering point, 903,218,625 gallons from the Northside metering point, and sold 2,543,256,000 gallons of water. The increase in the cost of purchased water is \$865,249.88, resulting in a purchased water adjustment factor of \$0.35 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.35 per 1,000 gallons for customers other than Bowling Green at the Cemetery Road metering point, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. On December 20, 2016, Warren County filed information into the record in support of an additional request to increase its rate to Bowling Green from \$1.3129 per 1,000 gallons to \$1.6147 per 1,000 gallons, an increase of \$0.3018 per 1,000 gallons. During the 12 months ended October 31, 2016, Warren County sold 1,562,854,000 to Bowling Green at the Cemetery Road metering point. The increased cost of purchased

² TFS 2016-00674 (Ky. PSC Filed Nov 28, 2016); The tariff was accepted for filing by the Commission by letter dated Dec 16, 2016.

water for these sales is \$471,608, resulting in a purchased water adjustment factor of \$0.3018 per 1,000 gallons for sales of water from Warren County to Bowling Green at the Cemetery Road metering point.

7. The purchased water adjustment factor of \$0.3018 per 1,000 gallons for sales of water from Warren County to Bowling Green at the Cemetery Road metering point, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.35 per 1,000 gallons is approved for all 211 customers other than Bowling Green at the Cemetery Road metering point.

2. The purchased water adjustment factor of \$0.3018 per 1,000 gallons is approved for sales of water to Bowling Green at the Cemetery Road metering point.

3. Warren County's proposed rates, as set forth in Appendix B to this Order, are approved for water service rendered by Warren County on and after January 1, 2017.

4. Within 20 days of the date of this Order, Warren 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

ENTERED
JAN 06 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00430 DATED **JAN 06 2017**

Purchased water Adjustment Factor for sales to customers other than Bowling
Green Municipal Utilities at Cemetery Road metering point.

	New Rate	Base Rate
Bowling Green Purchases in gallons:		
Southside	28,068	28,068
Volumetric rate	<u>\$1.9158/1,000</u>	<u>\$1.8285/1,000</u>
	\$53.77	\$51.32
Cemetery Road	1,746,042,058	1,746,042,058
Volumetric rate	<u>\$1.3309/1,000</u>	<u>\$1.0608/1,000</u>
	\$2,323,807.37	\$1,852,201.42
Morgantown Road	249,388,213	249,388,213
Volumetric rate	<u>\$1.4312/1,000</u>	<u>\$1.0838/1,000</u>
	\$356,924.41	\$270,286.94
Northside	903,218,625	903,218,625
Volumetric rate	<u>\$1.3924/1,000</u>	<u>\$1.0525/1,000</u>
	\$1,257,641.61	\$950,637.60
	Increased water cost	\$865,249.88
Increased water cost		\$ 865,249.88
Divided by gallons sold/1,000		<u>2,543,256,000</u>
Purchased water adjustment factor		\$ 0.3402
		or \$ 0.35 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00430 DATED **JAN 06 2017**

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

5/8- X 3/4-Inch Meters

First	2,000 Gallons	\$11.86 Minimum Bill
Next	8,000 Gallons	3.76 Per 1,000 Gallons
Next	90,000 Gallons	3.09 Per 1,000 Gallons
Next	900,000 Gallons	2.64 Per 1,000 Gallons
Over	1,000,000 Gallons	2.30 Per 1,000 Gallons

3/4-Inch Meters

First	3,000 Gallons	\$15.62 Minimum Bill
Next	7,000 Gallons	3.76 Per 1,000 Gallons
Next	90,000 Gallons	3.09 Per 1,000 Gallons
Next	900,000 Gallons	2.64 Per 1,000 Gallons
Over	1,000,000 Gallons	2.30 Per 1,000 Gallons

1-Inch Meters

First	5,000 Gallons	\$23.57 Minimum Bill
Next	5,000 Gallons	3.76 Per 1,000 Gallons
Next	90,000 Gallons	3.09 Per 1,000 Gallons
Next	900,000 Gallons	2.64 Per 1,000 Gallons
Over	1,000,000 Gallons	2.30 Per 1,000 Gallons

1 1/2-Inch Meters

First	10,000 Gallons	\$44.97 Minimum Bill
Next	90,000 Gallons	3.09 Per 1,000 Gallons
Next	900,000 Gallons	2.64 Per 1,000 Gallons
Over	1,000,000 Gallons	2.30 Per 1,000 Gallons

2-Inch Meters

First	15,000 Gallons	\$61.06 Minimum Bill
Next	85,000 Gallons	3.09 Per 1,000 Gallons
Next	900,000 Gallons	2.64 Per 1,000 Gallons
Over	1,000,000 Gallons	2.30 Per 1,000 Gallons

3-Inch Meters

First	20,000 Gallons	\$88.15 Minimum Bill
Next	80,000 Gallons	3.09 Per 1,000 Gallons
Next	900,000 Gallons	2.64 Per 1,000 Gallons
Over	1,000,000 Gallons	2.30 Per 1,000 Gallons

4-Inch Meters

First	30,000 Gallons	\$145.78 Minimum Bill
Next	70,000 Gallons	3.09 Per 1,000 Gallons
Next	900,000 Gallons	2.64 Per 1,000 Gallons
Over	1,000,000 Gallons	2.30 Per 1,000 Gallons

6-Inch Meters

First	50,000 Gallons	\$222.23 Minimum Bill
Next	50,000 Gallons	3.09 Per 1,000 Gallons
Next	900,000 Gallons	2.64 Per 1,000 Gallons
Over	1,000,000 Gallons	2.30 Per 1,000 Gallons

8-Inch Meters

First	80,000 Gallons	\$326.99 Minimum Bill
Next	20,000 Gallons	3.09 Per 1,000 Gallons
Next	900,000 Gallons	2.64 Per 1,000 Gallons
Over	1,000,000 Gallons	2.30 Per 1,000 Gallons

10-Inch Meters

First	120,000 Gallons	\$463.38 Minimum Bill
Next	880,000 Gallons	2.64 Per 1,000 Gallons
Over	1,000,000 Gallons	2.30 Per 1,000 Gallons

Wholesale rate to Bowling Green Municipal Utilities At Cemetery Road metering point.	\$1.6147 per 1,000 Gallons
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P. O. Box 10180
Bowling Green, KY 42102-4780

*John Dix
PE
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