COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OFCASE NO.LEVEE ROAD WATER ASSOCIATION, INC.2018-00099

ORDER

On March 9, 2017, Levee Road Water Association ("Levee Road") 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. Levee Road purchases water from the Mt. Sterling Water and Sewer System ("Mt. Sterling").

2. Mt. Sterling notified Levee Road that its wholesale rate would increase from \$2.96 per 1,000 Gallons to \$3.02 per 1,000 Gallons effective August 1, 2017.² Levee Road proposed to increase the water rates to its customers effective March 15, 2018, to reflect the increased cost of purchased water from Mt. Sterling.

Levee Road proposes a purchased water adjustment factor of \$0.08 per
1,000 Gallons.

4. During the 12 months ended December 31, 2017, Levee Road purchased 50,569,000 Gallons of water from Mt. Sterling. During the same period, Levee Road

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2017000353 (Ky. PSC filed June 22, 2017); the tariff was accepted for filing by the Commission by letter dated July 31, 2017.

sold 38,119,000 Gallons of water. The increase in the cost of purchased water is \$3,034.14, resulting in a purchased water adjustment factor of \$0.08 per 1,000 Gallons.

5. The purchased water adjustment factor of \$0.08 per 1,000 Gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Levee Road'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 Levee Road Water on and after March 15, 2018.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.08 per 1,000 Gallons is approved.

2. Levee Road's proposed rates as set forth in Appendix B to this Order are approved for water service rendered by Levee Road on and after March 15, 2018.

3. Within 20 days of the date of this Order, Levee Road shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

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By the Commission

ENTERED					
APR 0 2 2018					
KENTUCKY PUBLIC SERVICE COMMISSION	Contraction to the state				

ATTEST:

Executive Director

Case No. 2018-00099

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00099 DATED APR 0 2 2018

Mt. Sterling	New Rate	Base Rate
Purchases in Gallons Volumetric rate	50,569,000 \$ <u>3.02/1,000</u> \$152,718.38	50,569,000 <u>\$ 2.96/1,000</u> \$149,684.24
	Increased water co	st \$3,034.14
Increased water cost Divided by Gallons sold/1,	\$ 3,034.14 <u>38,119,000</u> \$0.0796	
Purchased water adjustme	\$0.08 per 1,000 Gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00099 DATED APR 0 2 2018

The following rates and charges are prescribed for the customers in the area served by Levee Road Water Association. 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	1,000	Gallons	\$11.25	per 1,000 Gallons				
Next	2,000	Gallons	4.85	per 1,000 Gallons				
Next	3,000	Gallons	4.15	per 1,000 Gallons				
Next	19,000	Gallons	3.40	per 1,000 Gallons				
Next	25,000	Gallons	3.05	per 1,000 Gallons				
Over	50,000	Gallons	2.75	per 1,000 Gallons				
Commercia	l Hauler	\$5.13	per 1,000 Gallons					
Any Individu	ual who has a	\$5.13	per 1,000 Gallons					
All Water Pu	urchased from	\$5.13	per 1,000 Gallons					

*Brenda Murphy Secretary/treasurer Levee Road Water Association, Inc. 4681 Levee Road Mt. Sterling, KY 40353

*Levee Road Water Association, Inc. 4969 Levee Road P. O. Box 770 Mt. Sterling, KY 40353