

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
JUDY WATER ASSOCIATION)	2018-00186

ORDER

On June 7, 2018, Judy Water Association (“Judy”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

On June 25, 2018, Judy supplemented the filing by letter requesting the Purchase Water Adjustment factor be amended from \$0.08 per thousand gallons to \$0.09 per thousand gallons.

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

1. Judy purchases water from the Mt. Sterling Water and Sewer System (“Mt. Sterling”), and the City of North Middletown (“North Middletown”).
2. Mt. Sterling notified Judy that its wholesale rate would increase from \$3.02 per 1,000 gallons to \$3.11 per 1,000 gallons effective July 1, 2018.² North Middletown notified Judy that its wholesale rate will increase for the first 70,000 gallons per day from \$5.00 per 1,000 gallons to \$5.02 per 1,000 gallons; for water usage over 70,000 gallons

¹ KRS 278.012; 807 KAR 5:068.

² TFS 2018-00248 (Ky. PSC filed May 24, 2018); the tariff was accepted for filing by the Commission by letter dated June 15, 2018.

per day the rate will increase from \$5.10 per 1,000 gallons to \$5.12 per 1,000 gallons, effective June 1, 2018.³ Judy proposes to increase the water rates to its customers effective July 1, 2018, to reflect the increased cost of purchased water from Mt. Sterling and North Middletown.

3. Judy proposed a purchased water adjustment factor of \$0.09 per 1,000 gallons in its amended application.

4. During the 12 months ended May 31, 2018, Judy purchased 118,830,100 gallons of water from Mt. Sterling and 41,667,000 gallons of water from North Middletown. During the same period, Judy sold 139,078,700 gallons of water. The increase in the cost of purchased water is \$11,528.00, resulting in a purchased water adjustment factor of \$0.09 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.09 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just and reasonable, and should be approved.

6. Judy's proposed rates should be approved.

7. 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 Judy on and after July 1, 2018.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.09 per 1,000 gallons is approved.

³ TFS 2018-00158 (Ky. PSC filed April 16, 2018); the tariff was accepted for filing by the Commission by letter dated May 23, 2018.

2. The rates proposed by Judy are approved.
3. The rates as set forth in Appendix B to this Order are approved for water service rendered by Judy on and after July 1, 2018.
4. Within 20 days of the date of entry of this Order, Judy 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
JUN 29 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2018-00186

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00186 DATED **JUN 29 2018**

	New Rate	Base Rate
Mt. Sterling		
Purchases in Gallons	118,830,100	118,830,100
Wholesale rate	<u>\$ 3.11/1000</u>	<u>\$ 3.02/1000</u>
	\$369,561.61	\$358,866.90
 N. Middletown (first 70,000 gallons per day)		
Purchases in Gallons	25,550,000	25,550,000
Wholesale rate	<u>\$ 5.02/1000</u>	<u>\$ 5.00/1000</u>
	\$128,261.00	\$127,750.00
 N. Middletown (over 70,000 gallons per day)		
Purchases in Gallons	16,117,000	16,117,000
Wholesale rate	<u>\$ 5.12/1000</u>	<u>\$ 5.10/1000</u>
	\$ 82,519.04	\$ 82,196.70
 Total	\$580,341.65	\$568,813.60
 Increased water cost		\$ 11,528.05
 Increased water cost		\$ 11,528.05
Divided by Gallons sold/1,000		<u>139,079,700</u>
Purchased water adjustment factor		\$ 0.0829 per 1,000 Gallons
		or \$ 0.09 per 1,000 Gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00186 DATED **JUN 29 2018**

The following rates and charges are prescribed for the customers in the area served by Judy 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	\$ 13.22 Minimum Bill
Next	4,000 Gallons	8.85 per 1,000 Gallons
Next	5,000 Gallons	7.95 per 1,000 Gallons
Over	10,000 Gallons	7.05 per 1,000 Gallons

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