

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED WATER)	CASE NO.
ADJUSTMENT FILING OF NORTH MCLEAN)	2021-00023
COUNTY WATER DISTRICT)	

ORDER

On January 21, 2021, North McLean County Water District (North McLean District) applied for approval to adjust its rates pursuant to the purchased water adjustment (PWA) procedure.¹

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that:

1. North McLean District purchases water from McLean County Regional Water Commission (McLean County), West Daviess County Water District (West Daviess District), and Ohio County Water District² (Ohio District).

2. North McLean District filed a rate case with the Commission, Case No. 2020-00238, and since the filing of this application, a final Order containing approved rates has been issued. The rates approved applied in this PWA application.³

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2020-00167, *Electronic Application of Ohio County Water District for an Alternative Rate Adjustment*, (Ky. PSC Dec. 3, 2020). The rates approved included an increase to the wholesale rates Ohio District charges. Ohio District's wholesale customers include North McLean District as an emergency water supplier. North McLean District did not purchase water from Ohio District during the last 12 months.

³ Case No. 2020-00238, *Electronic Application of North McLean County Water District for an Alternative Rate Adjustment* (Ky. PSC Jan. 27, 2021).

3. West Daviess District notified North McLean District that its wholesale rate would increase from \$3.85 per 1,000 gallons to \$4.38 per 1,000 gallons, effective December 30, 2020. Ohio District also notified North McLean District that its wholesale rate for emergency use only would increase from \$2.68 per 1,000 gallons to \$3.29 per 1,000 gallons, effective December 30, 2020. North McLean District proposes to increase the water rates to its customers effective February 25, 2021, to reflect the increased cost of purchased water from West Daviess County.

4. North McLean District proposed a purchased water adjustment factor of \$0.03 per 1,000 gallons in its application.

5. During the 12 months ended October 30, 2020, North McLean District purchased 109,876,000 gallons of water from McLean County and 5,095,000 gallons of water from West Daviess District. During the same period, North McLean District sold 97,832,600 gallons of water. The increase in the cost of purchased water is \$2,700.35, resulting in a purchased water adjustment factor of \$0.03 per 1,000 gallons.

6. 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.

7. North McLean District's proposed rates should be denied.

8. 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 North McLean District on and after February 25, 2021.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.03 per 1,000 gallons is approved.
2. The rates proposed by North McLean District are denied.
3. The rates as set forth in Appendix B to this Order are approved for water service rendered by North McLean District on and after February 25, 2021.
4. Within 20 days of the date of entry of this Order, North McLean District shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.
5. This case is closed and removed from the Commission's docket.

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By the Commission



ATTEST:


Executive Director

Case No. 2021-00023

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2021-00023 DATED FEB 12 2021

	Base Rate	New Rate
McLean County		
Purchases in Gallons	109,876,000	109,876,000
Wholesale rate	<u>\$3.22</u>	<u>\$3.22</u>
	\$353,800.72	\$353,800.72
West Daviess District		
Purchases in Gallons	5,095,000	5,095,000
Wholesale rate	<u>\$3.85</u>	<u>\$4.38</u>
	\$19,615.75	\$22,316.10
Ohio County District		
Purchases in Gallons	0	0
Wholesale rate	<u>\$2.68</u>	<u>\$3.29</u>
	0	0
Increased water cost		\$2,700.35
Increased water cost		\$2,700.35
Divided by Gallons sold/1,000		<u>97,832,600</u>
Purchased water adjustment factor		\$0.0276 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. 2021-00023 DATED FEB 12 2021

The following rates and charges are prescribed for the customers in the area served by North McLean County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	2,000 Gallons	\$22.99 Minimum Bill
Next	8,000 Gallons	.00855 per Gallon
Next	30,000 Gallons	.00783 per Gallon
Over	40,000 Gallons	.00714 per Gallon

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