

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF JUDY WATER ASSOCIATION)	2016-00205

ORDER

On June 16, 2016, Judy Water Association (“Judy Water”) 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. Judy Water 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 Water that effective July 1, 2016, Mt. Sterling would increase its wholesale water rate to Judy Water from \$2.85 per 1,000 gallons to \$2.96 per 1,000 gallons.² Judy Water proposed to increase the water rates to its customers effective July 1, 2016, to reflect the increased cost of purchased water.
3. Judy Water proposed a purchased water adjustment factor of \$0.10 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2016-00323 (Ky. PSC filed May 24, 2016); The tariff was accepted for filing by the Commission by letter dated June 22, 2016.

4. During the 12 months ended May 31, 2016, Judy Water purchased 114,897,300 gallons of water from Mt. Sterling, and 33,535,000 gallons of water from North Middletown. During the same period, Judy Water sold 128,754,300 gallons of water. The increase in the cost of purchased water is \$12,638.70, resulting in a purchased water adjustment factor of \$0.10 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.10 per 1,000 gallons, as requested by Judy Water and calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Judy Water'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 Judy Water on and after July 1, 2016.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.10 per 1,000 gallons is approved.

2. Judy Water's proposed rates, as set forth in Appendix B to this Order, are approved for services rendered on and after July 1, 2016.

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

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00205 DATED **JUL 08 2016**

	New Rate	Base Rate
Mt. Sterling		
Purchases in gallons	114,897,300	114,897,300
Volumetric rate	<u>\$ 2.96/1,000</u>	<u>\$ 2.85/1,000</u>
	\$340,096.01	\$327,457.31

North Middletown		
Purchases in gallons	33,535,000	33,535,000
Volumetric rate	<u>No Change</u>	<u>No Change</u>
	\$ 0	\$ 0

Increased water cost \$12,638.70

Increased water cost	\$ 12,638.70
Divided by gallons sold/1,000	<u>128,754,300</u>
Purchased water adjustment factor	\$ 0.0981
	or \$ 0.10 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00205 DATED **JUL 08 2016**

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	\$ 13.00 Minimum Bill
Next	4,000 Gallons	8.63 per 1,000 Gallons
Next	5,000 Gallons	7.73 per 1,000 Gallons
Over	10,000 Gallons	6.83 per 1,000 Gallons

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