

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
WEST MCCRACKEN WATER DISTRICT)	2016-00339

ORDER

On September 23, 2016, West McCracken Water District (“West McCracken”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure¹.

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

1. West McCracken purchases water from Paducah Water (“Paducah”).
2. In a letter delivered July 25, 2016, Paducah notified West McCracken, that Paducah’s wholesale rate to West McCracken would increase from \$1.70 per 1,000 gallons to \$1.90 per 1,000 gallons effective October 1, 2016.² West McCracken proposes to increase the water rates to its customers effective October 1, 2016, to reflect the increased cost of purchased water.
3. West McCracken proposes a purchased water adjustment factor of \$0.27 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2016-00453 (Ky. PSC Filed July 29, 2016); the tariff was accepted for filing by the Commission by letter dated Sep. 29, 2015.

4. During the 12 months ended August 31, 2016, West McCracken purchased 138,780,800 gallons of water from Paducah. During the same period, West McCracken sold 103,682,006 gallons of water. The increase in the cost of purchased water is \$27,756.16, resulting in a purchased water adjustment factor of \$0.27 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.27 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. West McCracken'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 West McCracken on and after October 1, 2016.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.27 per 1,000 gallons is approved.

2. West McCracken's proposed rates as set forth in Appendix B to this Order are approved for water service rendered by West McCracken on and after October 1, 2016.

3. Within 20 days of the date of this Order, West McCracken 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
OCT 18 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00339 DATED **OCT 18 2016**

	New Rate	Base Rate
West McCracken		
Purchases in gallons		
Paducah	138,780,800	138,780,800
Volumetric rate	<u>\$1.90/1,000</u>	<u>\$1.70/1,000</u>
	\$263,683.52	\$235,927.36

Increased water cost \$27,756.16

Increased water cost	\$ 27,756.16
Divided by gallons sold/1,000	<u>103,682,006</u>
Purchased water adjustment factor	\$ 0.2677

or \$ 0.27 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00339 DATED **OCT 18 2016**

The following rates and charges are prescribed for the customers in the area served by West McCracken 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 Water Rates

First	100,000 Gallons	\$5.83	per 1,000 gallons
Over	100,000 Gallons	4.13	per 1,000 gallons
Bulk Water Sales		\$6.26	per 1,000 gallons

*West McCracken County Water District
8020 Ogden Landing Road
West Paducah, KY 42086

*Sheila Mansfield
West McCracken County Water District
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West Paducah, KY 42086