

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF ) CASE NO.  
DEXTER-ALMO HEIGHTS WATER DISTRICT ) 2016-00433

ORDER

On December 14, 2016, Dexter-Almo Heights Water District (“Dexter-Almo”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

The Commission notes that in its 2015 Annual Report, Dexter-Almo reported a water loss of 16.0093 percent. Commission regulation 807 KAR 5:066(6)(3) states that “for rate making purposes a utility’s unaccounted-for water loss shall not exceed fifteen (15) percent of total water produced and purchased, excluding water used by a utility in its own operations.”

The Commission strongly encourages Dexter-Almo to pursue reasonable actions to reduce its unaccounted-for water loss.

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

1. Dexter-Almo purchases water from the Murray Water and Sewer System (“Murray”).

---

<sup>1</sup> KRS 278.015; 807 KAR 5:068.

2. Murray notified Dexter-Almo that its wholesale rate to Dexter-Almo would increase from \$2.21 per 1,000 gallons to \$2.43 per 1,000 gallons effective January 1, 2017.<sup>2</sup> Dexter-Almo proposes to increase the water rates to its customers effective January 1, 2017, to reflect the increased cost of purchased water.

3. Dexter-Almo proposes a purchased water adjustment factor of \$0.28 per 1,000 gallons.

4. During the 12 months ended October 31, 2016, Dexter-Almo purchased 47,198,800 gallons of water from Murray. During the same period, Dexter-Almo sold 37,529,700 gallons of water. The increase in the cost of purchased water is \$10,383.73, resulting in a purchased water adjustment factor of \$0.28 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.28 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Dexter-Almo'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 Dexter-Almo on and after January 1, 2017.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.28 per 1,000 gallons is approved.

2. Dexter-Almo's proposed rates as set forth in Appendix B to this Order are approved for water service rendered by Dexter-Almo on and after January 1, 2017.

---

<sup>2</sup> TFS 2015-00339 (Ky. PSC filed May 28, 2015); the tariff was accepted for filing by the Commission by letter dated July 1, 2015.

3. Within 20 days of the date of this Order, Dexter-Almo 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  
JAN 10 2017  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00433 DATED **JAN 10 2017**

	New Rate	Base Rate
Dexter Almo Purchases in gallons Murray	47,198,800	47,198,800
	<u>\$ 2.43/1,000</u>	<u>\$ 2.21/1,000</u>
Total	\$114,693.08	\$104,309.35

Increased water cost \$10,383.73

Increased water cost \$ 10,383.73  
Divided by gallons sold/1,000 37,529,700  
Purchased water adjustment factor \$ 0.2767 per 1,000 gallons  
or \$ 0.28 per 1,000 gallons

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00433 DATED **JAN 10 2017**

The following rates and charges are prescribed for the customers in the area served by Dexter-Almo Heights 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	2,000 gallons	\$ 13.51 Minimum Bill
Next	3,000 gallons	5.13 per 1,000 gallons
Next	5,000 gallons	4.43 per 1,000 gallons
Next	10,000 gallons	4.13 per 1,000 gallons
Over	20,000 gallons	3.13 per 1,000 gallons

\*Dexter-Almo Heights Water District  
351 Almo Road  
P. O. Box 55  
Almo, KY 42020

\*Kathy Wyatt  
Office Manager  
Dexter-Almo Heights Water District  
351 Almo Road  
P. O. Box 55  
Almo, KY 42020