

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
SOUTH ANDERSON WATER DISTRICT)	2016-00441

ORDER

On December 20, 2016, South Anderson Water District (“South Anderson”) 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. South Anderson purchases water from Frankfort Electric and Water Plant Board (“Frankfort”) and the city of Lawrenceburg (“Lawrenceburg”).

2. Frankfort increased its wholesale rate to South Anderson from \$2.35 per 1,000 gallons to \$2.45 per 1,000 gallons effective November 1, 2016.² South Anderson proposes to increase the water rates to its customers effective January 1, 2016, to reflect the increased cost of purchased water.

3. South Anderson proposes a purchased water adjustment factor of \$0.0682 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2014-00778 (Ky. PSC Filed December 19, 2014); the tariff was accepted for filing by the Commission by letter dated January 9, 2015.

4. During the 12 months ended September 31, 2016, South Anderson purchased 124,277,200 gallons of water from Frankfort and 66,941,000 gallons from Lawrenceburg. During the same period, South Anderson sold 182,302,102 gallons of water. The increase in the cost of purchased water is \$12,427.72, resulting in a purchased water adjustment factor of \$0.0682 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.0700 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just and reasonable and should be approved for retail sales.

6. The purchased water adjustment factor of \$0.0682 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just and reasonable and should be approved for wholesale sales to North Mercer Water District.

7. South Anderson's rates proposed in the application should be approved.

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 South Anderson on and after January 1, 2017.

IT IS THEREFORE ORDERED that:

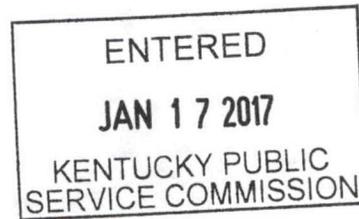
1. The purchased water adjustment factor of \$0.0700 per 1,000 gallons is approved for retail sales.

2. The purchased water adjustment factor of \$0.0682 per 1,000 gallons is approved for wholesale sales to North Mercer Water District.

3. The rates as set forth in Appendix B to this Order are approved for water service rendered by South Anderson on and after January 1, 2017.

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

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00441 DATED **JAN 17 2017**

		New Rate	Base Rate
South Anderson			
Purchases in gallons		124,277,200	124,277,200
Frankfort Volumetric rate	\$	<u>2.45/1,000</u>	\$ <u>2.35/1,000</u>
	\$	304,479.14	\$ 292,051.42
Purchases in gallons		66,941,000	66,941,000
Lawrenceburg Volumetric rate	\$	No change	\$ No change
		Increased water cost	\$ 12,427.72
Increased water cost	\$	12,427.72	
Divided by gallons sold/1,000		<u>182,302,102</u>	
Purchased water adjustment factor	\$	0.0682	
	or \$	0.0700 per 1,000 gallons for retail sales	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00441 DATED **JAN 17 2017**

The following rates and charges are prescribed for the customers in the area served by South Anderson 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	\$ 19.61 Minimum Bill
Next	3,000 Gallons	9.63 Per 1,000 Gallons
Next	5,000 Gallons	7.38 Per 1,000 Gallons
Over	10,000 Gallons	5.88 Per 1,000 Gallons

Bulk Loading Station \$ 3.91 Per 1,000 Gallons

Wholesale Rate: North Mercer Water District

First	3,000,000 Gallons	\$ 10,192.20 Minimum Bill (or \$ 3.3974 per 1,000 Gallons)
All Over	3,000,000 Gallons	\$ 2.8941 Per 1,000 Gallons

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