

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF) CASE NO.
JESSAMINE COUNTY WATER DISTRICT NO. 1) 2017-00073

ORDER

On February 13, 2017, Jessamine County Water District No. 1 (“Jessamine County”) submitted an application 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. Jessamine County purchases water from the city of Nicholasville (“Nicholasville”) and, through Nicholasville, from Kentucky-American Water Company (“Kentucky-American”).

2. Nicholasville notified Jessamine County on August 24, 2016 that the service charge portion of its wholesale rate to Jessamine County would increase from \$686.95 per month to \$749.67 per month, effective August 28, 2016.² Jessamine County purchases water from Kentucky-American through Nicholasville at two different locations. Kentucky American’s volumetric rate to Jessamine County would also increase from \$4.2093 per 1,000 gallons, to \$4.3255 per 1,000 gallons, effective at the

¹ KRS 278.015; 807 KAR 5:068.

² See Case No. 2015-00418, *Application of Kentucky-American Water Co. for an Adjustment of Rates* (Ky. PSC Aug. 23, 2016).

same time. Jessamine County proposes to increase the water rates to its customers effective March 16, 2017, to reflect the increased cost of purchased water.

3. Jessamine County proposes a purchased water adjustment factor of \$0.04 per 1,000 gallons.

4. During the 12 months ended January 31, 2017, Jessamine County purchased 48,543,232 gallons of water from Kentucky-American. During the same period, Jessamine County sold 189,035,172 gallons of water. The increase in the cost of purchased water is \$7,146.00, resulting in a purchased water adjustment factor of \$0.04 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.04 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Jessamine County'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 Jessamine County on and after March 16, 2017.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.04 per 1,000 gallons is approved.

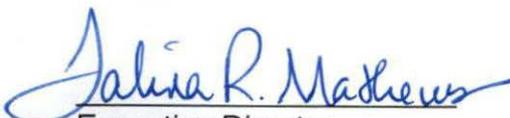
2. Jessamine County's proposed rates, as set forth in Appendix B to this Order, are approved for services rendered by Jessamine County on and after March 16, 2017.

3. Within 20 days of the date of this Order, Jessamine County 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
MAR 13 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00073 DATED **MAR 13 2017**

	New Rate	Base Rate
Jessamine County		
Monthly Service Charge	\$1499.34/month	\$1373.90/month
	<u>X 12</u>	<u>X 12</u>
	\$17,992.08	\$16,486.80
Purchases in gallons		
Kentucky American via Nicholasville	48,543,232	48,543,232
Volumetric rate	<u>\$4.3255/1,000</u>	<u>\$4.2093/1,000</u>
	<u>\$209,973.75</u>	<u>\$204,333.03</u>
Total	<u>\$227,965.83</u>	<u>\$220,819.83</u>
City of Nicholasville		
Purchases in gallons	182,035,172	182,035,172
Volumetric rate	<u>\$2.81/1,000</u>	<u>\$2.81/1,000</u>
	N/C	N/C

Increased water cost \$7,146.00

Increased water cost	\$ 7,146.00
Divided by gallons sold/1,000	<u>189,035,172</u>
Purchased water adjustment factor	\$ 0.0378

or \$ 0.04 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2017-00073 DATED **MAR 13 2017**

The following rates and charges are prescribed for the customers in the area served by Jessamine County Water District No. 1. 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

5/8 x 3/4-Inch Meter

First 3,000 Gallons	\$28.12 Minimum Bill
Next 7,000 Gallons	6.64 per 1,000 gallons
Over 10,000 Gallons	6.42 per 1,000 gallons

1-Inch Meter

First 5,000 Gallons	\$41.40 Minimum Bill
Next 5,000 Gallons	6.64 per 1,000 gallons
Over 10,000 Gallons	6.42 per 1,000 gallons

1 1/2-Inch Meter

First 10,000 Gallons	\$74.60 Minimum Bill
Over 10,000 Gallons	6.42 per 1,000 gallons

2-Inch Meter

First 20,000 Gallons	\$138.80 Minimum Bill
Over 20,000 Gallons	6.42 per 1,000 gallons

*Carl Waits
Chairman
Jessamine County Water District #1
2225 Lexington Road
Nicholasville, KY 40356-9702

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