

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING)	CASE NO.
OF 641 WATER DISTRICT)	2017-00259

ORDER

On June 30, 2017, South 641 Water District ("South 641") 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 641 purchases water from the Murray Municipal Utilities ("Murray").
2. Murray notified South 641 that its wholesale rate would increase from \$2.43 per 1,000 gallons to \$2.67 per 1,000 gallons effective July 1, 2017.² South 641 proposed to increase the water rates to its customers effective July 1, 2017, to reflect the increased cost of purchased water from Murray.
3. South 641 proposes a purchased water adjustment factor of \$0.28 per 1,000 gallons.
4. During the 12 months ended March 31, 2017, South 641 purchased 18,667,200 gallons of water from Murray. During the same period, South 641 sold

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2015-00339 (Ky. PSC filed Mar. 28, 2015); The tariff was accepted for filing by the Commission by letter dated July 1, 2015.

15,814,640 gallons of water. The increase in the cost of purchased water is \$4,480.13, 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 as requested by South 641.

6. South 641'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 South 641 on and after July 1, 2017.

IT IS THEREFORE ORDERED that:

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

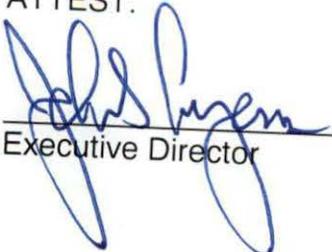
2. The rates as set forth in Appendix B to this Order are approved for water service rendered by South 641 on and after July 1, 2017.

3. Within 20 days of the date of this Order, South 641 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
JUL 25 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00259 DATED **JUL 25 2017**

	New Rate	Base Rate
South 641		
Murray		
Purchases in gallons	18,667,200	18,667,200
	<u>\$ 2.67/1,000</u>	<u>\$ 2.43/1,000</u>
Total	\$ 49,841.42	\$ 45,361.30
Increased water cost		\$ 4,480.12
Increased water cost		\$ 4,480.12
Divided by gallons sold/1,000		<u>15,814,600</u>
Purchased water adjustment factor		\$ 0.2833 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. 2017-00259 DATED **JUL 25 2017**

The following rates and charges are prescribed for the customers in the area served by South 641 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	\$ 20.10 Minimum Bill
Next	3,000 gallons	7.82 per 1,000 gallons
Next	5,000 gallons	6.91 per 1,000 gallons
Over	10,000 gallons	6.02 per 1,000 gallons
Bulk Sales		6.02 per 1,000 gallons

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Chairman of the Board
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