

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF ) CASE NO.  
REID VILLAGE WATER DISTRICT ) 2018-00201

ORDER

On June 18, 2018, Reid Village Water District (Reid Village District) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

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

1. Reid Village District purchases water from the Mt. Sterling Water & Sewer System (Mt. Sterling District).
2. Mt. Sterling District notified Reid Village District that its wholesale rate would increase from \$3.02 per 1,000 gallons to \$3.11 per 1,000 gallons effective July 1, 2018.<sup>2</sup> Reid Village District proposes to increase the water rates to its customers effective July 1, 2018, to reflect the increased cost of purchased water from Mt. Sterling District.
3. Reid Village District proposed a purchased water adjustment factor of \$0.12 per 1,000 gallons in its application.

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

<sup>2</sup> TFS 2018-00251 (Ky. PSC filed May 24, 2018); the tariff was accepted for filing by the Commission by letter dated June 15, 2018.

4. During the 12 months ended April 30, 2018, Reid Village District purchased 71,904,500 gallons of water from Mt. Sterling District. During the same period, Reid Village District sold 56,935,551 gallons of water. The increase in the cost of purchased water is \$6,471.41, resulting in a purchased water adjustment factor of \$0.12 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.12 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable, and should be approved.

6. Reid Village District's proposed rates should be approved.

7. 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 Reid Village District on and after July 1, 2018.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.12 per 1,000 gallons is approved.

2. The rates proposed by Reid Village District are approved.

3. The rates as set forth in Appendix B to this Order are approved for water service rendered by Reid Village District on and after July 1, 2018.

4. Within 20 days of the date of entry of this Order, Reid Village District 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:

  
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Executive Director

Case No. 2018-00201

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2018-00201 DATED **JUL 12 2018**

	New Rate	Base Rate
Mt. Sterling		
Purchases in Gallons	71,904,500	71,904,500
Wholesale rate	<u>\$ 3.11/1000</u>	<u>\$ 3.02/1000</u>
	\$223,623.00	\$217,151.59
Increased water cost		\$ 6,471.41
Increased water cost		\$ 6,471.41
Divided by Gallons sold/1,000		<u>56,935,551</u>
Purchased water adjustment factor		\$ 0.114 per 1,000 Gallons
		or \$ 0.12 per 1,000 Gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2018-00201 DATED **JUL 12 2018**

The following rates and charges are prescribed for the customers in the area served by Reid Village Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	2,000 Gallons	\$ 25.79 Minimum Bill
Next	1,000 Gallons	8.70 per 1,000 Gallons
Next	2,000 Gallons	8.11 per 1,000 Gallons
Next	5,000 Gallons	7.50 per 1,000 Gallons
Over	10,000 Gallons	6.88 per 1,000 Gallons

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