

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF MADISON COUNTY UTILITIES DISTRICT))	CASE NO. 2018-00192
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ORDER

On June 12, 2018, Madison County Utilities District (Madison District) 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. Madison District purchases water from the Richmond Utilities (Richmond).
2. Richmond notified Madison District that its wholesale volumetric water rate would increase, from \$2.38391 per 100 cubic feet to \$2.43398 per 100 cubic feet, and the Kentucky River Authority Fee would increase, from \$0.13400 per 100 cubic feet to \$0.23200 per 100 cubic feet effective July 1, 2018.² Madison District proposes to increase the water rates to its customers effective July 1, 2018, to reflect the increased cost of purchased water from Richmond.
3. Madison District proposed a purchased water adjustment factor of \$0.18 per 100 cubic feet in its application.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2018-00206 (Ky. PSC filed May 2, 2018); the tariff was accepted for filing by the Commission by letter dated June 13, 2018.

4. During the 12 months ended March 31, 2018, Madison District purchased 94,486,900 cubic feet of water from Richmond. During the same period, Madison District sold 78,213,179 cubic feet of water. The increase in the cost of purchased water is \$139,906.75, resulting in a purchased water adjustment factor of \$0.18 per 100 cubic feet.

5. The purchased water adjustment factor of \$0.18 per 100 cubic feet, as calculated in Appendix A to this Order, is fair, just and reasonable, and should be approved.

6. Madison 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 Madison District on and after July 1, 2018.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.18 per 100 cubic feet is approved.

2. The rates proposed by Madison District are approved.

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

4. Within 20 days of the date of entry of this Order, Madison 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

ENTERED
JUL 09 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2018-00192

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00192 DATED **JUL 09 2018**

	New Rate	Base Rate
Richmond		
Purchases in cubic feet	94,486,900	94,486,900
Volumetric rate	<u>\$ 2.66598/100</u>	<u>\$ 2.51791/100</u>
	\$2,519,001.86	\$2,379,095.11
Increased water cost		\$ 139,906.75
Increased water cost		\$ 139,906.75
Divided by cubic feet sold/100		<u>78,213,179</u>
Purchased water adjustment factor		\$ 0.1789 per 100 cubic feet
		or \$ 0.18 per 100 cubic feet

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00192 DATED **JUL 09 2018**

The following rates and charges are prescribed for the customers in the area served by Madison County Utilities 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	280 Cubic Ft	\$ 16.75 Minimum Bill
Next	720 Cubic Ft	5.32 per 100 Cubic Ft
Next	3,000 Cubic Ft	5.10 per 100 Cubic Ft
Next	8,000 Cubic Ft	4.91 per 100 Cubic Ft
Next	88,000 Cubic Ft	4.72 per 100 Cubic Ft
Over	100,000 Cubic Ft	4.41 per 100 Cubic Ft

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