

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
EAST CLARK COUNTY WATER DISTRICT)	2018-00204

ORDER

On June 19, 2018, East Clark County Water District (East Clark 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. East Clark District purchases water from the Winchester Municipal Utilities (Winchester) and Kentucky-American Water Company (Kentucky-American).
2. Winchester notified East Clark District that the Kentucky River Authority Withdrawal Fee portion of its wholesale rate would increase from \$0.19 per 100 cubic foot to \$0.30 per 100 cubic foot effective July 1, 2018.² East Clark District proposes to increase the water rates to its customers effective July 20, 2018, to reflect the increased cost of purchased water from Winchester.
3. East Clark District proposed a purchased water adjustment factor of \$0.18 per 1,000 gallons in its application.

¹ KRS 278.012; 807 KAR 5:068.

² TFS 2018-00248 (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, East Clark District purchased 17,174,800 cubic feet of water from Winchester and 130,500 gallons of water from Kentucky-American Middletown. During the same period, East Clark District sold 109,103,304 gallons of water. The increase in the cost of purchased water is \$18,892.28, resulting in a purchased water adjustment factor of \$0.18 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.18 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable, and should be approved.

6. East Clark District misapplied the purchased water adjustment factor to the minimum bill of its 4-inch meter service rates.

7. East Clark District's proposed rates are denied.

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 East Clark District on and after July 20, 2018.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.18 per 1,000 gallons is approved.

2. The rates proposed by East Clark District are denied.

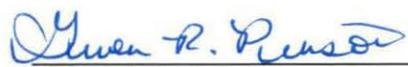
3. The rates as set forth in Appendix B to this Order are approved for water service rendered by East Clark District on and after July 20, 2018.

4. Within 20 days of the date of entry of this Order, East Clark 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 10 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00204 DATED **JUL 10 2018**

	New Rate	Base Rate
Winchester		
Purchases in cubic feet ³	17,174,800	17,174,800
Wholesale rate	<u>\$ 0.30/100</u>	<u>\$ 0.19/100</u>
	\$51,524.40	\$32,632.12
Kentucky-American		
Purchases in Gallons	130,500	130,500
Wholesale rate	<u>No Change</u>	<u>No Change</u>
Total	\$51,524.40	\$32,632.12
Increased water cost		\$ 18,892.28
Increased water cost		\$ 18,892.28
Divided by Gallons sold/1,000		<u>109,103,304</u>
Purchased water adjustment factor		\$ 0.1731 per 1,000 Gallons
		or \$ 0.18 per 1,000 Gallons

³ Winchester purchases in gallons = 128,467,504 divided by a factor of 7.48 (1 Cubic Feet = 7.480519 Gallons)

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00204 DATED **JUL 10 2018**

The following rates and charges are prescribed for the customers in the area served by East Clark County 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

5/8-Inch X 3/4-Inch Meter

First 2,000 Gallons	\$26.22 Minimum Bill
Next 8,000 Gallons	10.86 Per 1,000 Gallons
Next 40,000 Gallons	9.64 Per 1,000 Gallons
Over 50,000 Gallons	8.42 Per 1,000 Gallons

1-Inch Meter

First 5,000 Gallons	\$58.80 Minimum Bill
Next 5,000 Gallons	10.86 Per 1,000 Gallons
Next 40,000 Gallons	9.64 Per 1,000 Gallons
Over 50,000 Gallons	8.42 Per 1,000 Gallons

1 1/2-Inch Meter

First 10,000 Gallons	\$113.10 Minimum Bill
Next 40,000 Gallons	9.64 Per 1,000 Gallons
Over 50,000 Gallons	8.42 Per 1,000 Gallons

2-Inch Meter

First 20,000 Gallons	\$209.50 Minimum Bill
Next 30,000 Gallons	9.64 Per 1,000 Gallons
Over 50,000 Gallons	8.42 Per 1,000 Gallons

3-Inch Meter

First 30,000 Gallons	\$305.90 Minimum Bill
Next 20,000 Gallons	9.64 Per 1,000 Gallons
Over 50,000 Gallons	8.42 Per 1,000 Gallons

4-Inch Meter

First 50,000 Gallons
Over 50,000 Gallons

\$498.70 Minimum Bill
8.42 Per 1,000 Gallons

Bulk Sales

\$6.43 Per 1,000 Gallons

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