

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF) CASE NO.
BOONE COUNTY WATER DISTRICT) 2018-00386

ORDER

On November 21, 2018, Boone County Water District (Boone District) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

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

1. Boone District purchases water from the Boone-Florence Water Commission (Boone-Florence).

2. Boone-Florence notified Boone District that its wholesale rate would increase from \$3.2754 per 1,000 gallons to \$3.3900 per 1,000 gallons effective February 1, 2018. Boone District proposes to increase the water rates to its customers effective December 31, 2018, to reflect the increased cost of purchased water from Boone-Florence.

3. Boone District proposed a purchased water adjustment factor of \$0.1300 per 1,000 gallons in its application.

4. During the 12 months ended September 30, 2018, Boone District purchased 2,762,213,652 gallons of water from Boone-Florence. During the same period, Boone

¹ KRS 278.012; 807 KAR 5:068.

District sold 2,524,032,840 gallons of water. The increase in the cost of purchased water is \$316,549.68, resulting in a purchased water adjustment factor of \$0.13 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.13 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Boone 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 Boone District on and after December 31, 2018.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.13 per 1,000 gallons is approved.

2. The rates proposed by Boone District are approved.

3. The rates as set forth in Appendix B to this Order are approved for water service rendered by Boone District on and after December 31, 2018.

4. Within 20 days of the date of entry of this Order, Boone District shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

5. This case is closed and removed from the Commission's docket.

By the Commission

ENTERED
DEC 05 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00386 DATED **DEC 05 2018**

| | New Rate | Base Rate |
|-----------------------------------|-----------------------|------------------------------|
| Boone-Florence | | |
| Purchases in gallons | 2,762,213,652 | 2,762,213,652 |
| Wholesale rate | <u>\$3.3900/1,000</u> | <u>\$3.2754/1,000</u> |
| | \$9,363,904.2803 | \$9,047,354.5958 |
| | | |
| Increased water cost | | \$ 316,549.6845 |
| | | |
| Increased water cost | | \$ 316,549.6845 |
| Divided by Gallons sold/1,000 | | <u>2,542,032,840</u> |
| Purchased water adjustment factor | | \$ 0.1254 per 1,000 Gallons |
| | | or \$ 0.13 per 1,000 Gallons |

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00386 DATED **DEC 05 2018**

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

Schedule A

| | | | |
|-------|----------------|---------|-------------------|
| First | 3,000 Gallons | \$17.91 | Minimum Bill |
| Next | 2,000 Gallons | 5.47 | per 1,000 Gallons |
| Next | 5,000 Gallons | 5.22 | per 1,000 Gallons |
| Over | 10,000 Gallons | 4.47 | per 1,000 Gallons |

Schedule B

| | | | |
|-------|-----------------|---------|-------------------|
| First | 3,000 Gallons | \$17.91 | Minimum Bill |
| Next | 2,000 Gallons | 5.97 | per 1,000 Gallons |
| Next | 5,000 Gallons | 5.47 | per 1,000 Gallons |
| Next | 140,000 Gallons | 5.22 | per 1,000 Gallons |
| Over | 150,000 Gallons | 4.47 | per 1,000 Gallons |

Monthly Minimums

| | <u>Gallons</u> | <u>Schedule A</u> | <u>Schedule B</u> |
|---------------------------|----------------|-------------------|-------------------|
| 5/8-Inch x 3/4-Inch Meter | 3,000 | \$17.91 | \$17.91 |
| 1-Inch Meter | 5,000 | 28.85 | 29.85 |
| 1-1/2-Inch Meter | 9,000 | 49.73 | 51.73 |
| 2-Inch Meter | 11,000 | 59.42 | 62.42 |
| 3-Inch Meter | 21,000 | 104.12 | 114.62 |
| 4-Inch Meter | 29,000 | 139.88 | 156.40 |
| 6-Inch Meter | 100,000 | 457.25 | 527.00 |
| <u>Tank Wagon Sales</u> | | \$4.40 | per 1,000 Gallons |

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