

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED WATER)	CASE NO.
ADJUSTMENT FILING OF MAGOFFIN COUNTY)	2019-00262
WATER DISTRICT)	

ORDER

On July 29, 2019, Magoffin County Water District (Magoffin District) tendered an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹ However, Magoffin District initially failed to file a copy of the supplier's notice showing a change in the supplier's base rates required by 807 KAR 5:068, Section 1(1)(c). Magoffin District corrected the deficiency, and the Commission finds that its application should be accepted and deemed filed on August 19, 2019.² Thus, Magoffin District's application for approval to adjust its rates pursuant to the purchased water adjustment procedure is now before the Commission for a decision.

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

1. Magoffin District purchases water from Salyersville Water Works (Salyersville).

¹ KRS 278.015; 807 KAR 5:068.

² See 807 KAR 5:068, Section 4(2)(b) (indicating that an application for a purchased water adjustment should no more than 30 days from the date the rate is scheduled to go into effect); *see also* 807 KAR 5:001 (indicating when a document is deemed filed with the Commission).

2. Salyersville notified Magoffin District that its wholesale rate would increase from \$2.72 per 1,000 gallons to \$2.88 per 1,000 gallons effective September 17, 2019. Magoffin District proposes to increase the water rates to its customers effective September 17, 2019, to reflect the increased cost of purchased water from Salyersville.

3. Magoffin District proposed a purchased water adjustment factor of \$0.20 per 1,000 gallons in its application.

4. During the 12 months ended June 30, 2019, Magoffin District purchased 186,052,400 gallons of water from Salyersville. During the same period, Magoffin District sold 149,251,400 gallons of water. The increase in the cost of purchased water is \$29,768.39, resulting in a purchased water adjustment factor of \$0.20 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.20 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Magoffin District's proposed rates are 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 Magoffin District on and after September 17, 2019.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.20 per 1,000 gallons is approved.

2. The rates proposed by Magoffin District are approved.

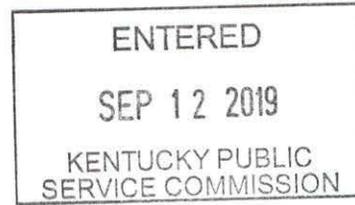
3. The rates as set forth in Appendix B to this Order are approved for water service rendered by Magoffin District on and after September 17, 2019.

4. Within 20 days of the date of entry of this Order, Magoffin 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 hereby closed and removed from the Commission's docket.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2019-00262 DATED **SEP 12 2019**

	New Rate	Base Rate
Salyersville		
Purchases in Gallons	186,052,400	186,052,400
Wholesale rate	<u>\$2.88/1,000</u>	<u>\$2.72/1,000</u>
	\$535,830.91	\$506,062.53
Total	\$535,830.92	\$ 506,062.53
Increased water cost		\$ 29,768.38
Increased water cost		\$ 29,768.38
Divided by Gallons sold/1,000		<u>149,251,400</u>
Purchased water adjustment factor		\$ 0.1995 per 1,000 Gallons
		or \$ 0.20 per 1,000 Gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2019-00262 DATED **SEP 12 2019**

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

Residential

5/8-Inch Meter

First 2,000 Gallons	\$18.85 Minimum Bill
Next 3,000 Gallons	8.43 per 1,000 Gallons
Next 5,000 Gallons	7.82 per 1,000 Gallons
Over 10,000 Gallons	7.20 per 1,000 Gallons

1-Inch Meter

First 5,000 Gallons	\$44.14 Minimum Bill
Next 5,000 Gallons	7.82 per 1,000 Gallons
Over 10,000 Gallons	7.20 per 1,000 Gallons

Commercial

3/4-Inch Meter

First 3,000 Gallons	\$33.66 Minimum Bill
Next 2,000 Gallons	10.79 per 1,000 Gallons
Next 5,000 Gallons	9.98 per 1,000 Gallons
Next 5,000 Gallons	9.18 per 1,000 Gallons
Over 15,000 Gallons	8.81 per 1,000 Gallons

1-Inch Meter

First 5,000 Gallons	\$55.24 Minimum Bill
Next 5,000 Gallons	9.98 per 1,000 Gallons
Next 5,000 Gallons	9.18 per 1,000 Gallons
Over 15,000 Gallons	8.81 per 1,000 Gallons

2-Inch Meter

First 15,000 Gallons	\$151.04 Minimum Bill
Over 15,000 Gallons	8.81 per 1,000 Gallons

*Jason Pennell
Kentucky Rural Water Association
Post Office Box 1424
1151 Old Porter Pike
Bowling Green, KENTUCKY 42102-1424

*Magoffin County Water District
749 Parkway Road
P. O. Box 490
Salyersville, KY 41465

*Allen McCarty
Superintendent
Magoffin County Water District
749 Parkway Rd
P. O. Box 490
Salyersville, KY 41465