

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED WATER)	CASE NO.
ADJUSTMENT FILING OF HARRISON COUNTY)	2019-00407
WATER ASSOCIATION, INC.)	

ORDER

On November 12, 2019, Harrison County Water Association (Harrison Water) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹ On November 20, 2019, Harrison Water was notified that its application was deficient because it did not include the base rates and changed rates for each of their wholesale suppliers as required by 807 KAR 5:068: Section 4. On November 26, 2019, Harrison Water corrected the deficiency by filing each of their wholesale suppliers and the base rate and changed rate for each. Harrison Water's application was accepted for filing on November 26, 2019, when it corrected the deficiency, and it is now before the Commission for a decision.

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

1. Harrison Water purchases water from the city of Cynthiana (Cynthiana), Nicholas County Water District (Nicholas District), the city of Paris (Paris), the city of Millersburg (Millersburg), and Kentucky-American Water Company (Kentucky-American).

¹ KRS 278.015; 807 KAR 5:068.

2. Cynthiana notified Harrison Water that its wholesale rate would increase from \$2.85 per 1,000 gallons to \$3.15 per 1,000 gallons effective July 1, 2019. Harrison Water proposes to increase the water rates to its customers effective November 15, 2019, to reflect the increased cost of purchased water from Cynthiana.

3. Harrison Water proposed a purchased water adjustment factor of \$0.37 per 1,000 gallons in its application.

4. During the 12 months ended August 31, 2019, Harrison Water purchased 328,032,480 gallons of water from Cynthiana, 21,646,500 gallons of water from Nicholas District, 4,057,500 gallons of water from Paris, 14,314,428 gallons of water from Millersburg, and 36,656,594 gallons of water from Kentucky-American. During the same period, Harrison Water sold 324,249,645 gallons of water. The increase in the cost of purchased water is \$98,409.74, resulting in a purchased water adjustment factor of \$0.31 per 1,000 gallons.

5. In its application, Harrison Water miscalculated the purchased water adjustment factor.

6. The purchased water adjustment factor of \$0.31 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

7. Harrison Water'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 Harrison Water on and after November 15, 2019.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.31 per 1,000 gallons is approved.
2. The rates proposed by Harrison Water are denied.
3. The rates as set forth in Appendix B to this Order are approved for water service rendered by Harrison Water on and after November 15, 2019.
4. Within 20 days of the date of entry of this Order, Harrison Water 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.

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By the Commission

ENTERED
DEC 11 2019
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2019-00407

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2019-00407 DATED **DEC 11 2019**

	Base Rate	New Rate	Increased Cost
Cynthiana			
Purchases in Gallons	328,032,480	328,032,480	
Wholesale rate	<u>\$2.85/1,000</u>	<u>\$3.15/1,000</u>	
	\$934,892.57	\$1,033,302.31	\$98,409.74
 Nicholas County			
Purchases in Gallons	21,646,500	21,646,500	
Wholesale rate	<u>\$2.10/1,000</u>	<u>No Change</u>	
 Paris			
Purchases in Gallons	4,057,500	4,057,500	
Wholesale rate	<u>\$3.39/1,000</u>	<u>No Change</u>	
 Millersburg			
Purchases in Gallons	14,314,428	14,314,428	
Wholesale rate	<u>\$3.39/1,000</u>	<u>No Change</u>	
 Kentucky-American			
Purchases in Gallons	36,656,594	36,656,594	
Wholesale rate	<u>\$3.39/1,000</u>	<u>No Change</u>	
 Increased water cost		\$ 98,409.74	
 Divided by Gallons sold/1,000		<u>324,249,645</u>	
 Purchased water adjustment factor		\$ 0.3035 per 1,000 Gallons	
		or \$ 0.31 per 1,000 Gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2019-00407 DATED **DEC 11 2019**

The following rates and charges are prescribed for the customers in the area served by Harrison County Water Association. 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" X 3/4" Meter

First 2,000 Gallons	\$19.51 Minimum Bill
Next 1,000 Gallons	7.44 Per 1,000 Gallons
Next 2,000 Gallons	7.26 Per 1,000 Gallons
Next 45,000 Gallons	6.72 Per 1,000 Gallons
Over 50,000 Gallons	5.80 Per 1,000 Gallons

3/4" Meter

First 3,000 Gallons	\$26.95 Minimum Bill
Next 2,000 Gallons	7.26 Per 1,000 Gallons
Next 45,000 Gallons	6.72 Per 1,000 Gallons
Over 50,000 Gallons	5.80 Per 1,000 Gallons

1" Meter

First 5,000 Gallons	\$41.47 Minimum Bill
Next 45,000 Gallons	6.72 Per 1,000 Gallons
Over 50,000 Gallons	5.80 Per 1,000 Gallons

1 1/2" Meter

First 10,000 Gallons	\$75.06 Minimum Bill
Next 40,000 Gallons	6.72 Per 1,000 Gallons
Over 50,000 Gallons	5.80 Per 1,000 Gallons

2" Meter

First 15,000 Gallons	\$108.64 Minimum Bill
Next 35,000 Gallons	6.72 Per 1,000 Gallons
Over 50,000 Gallons	5.80 Per 1,000 Gallons

Bulk Loading Station Water Rates	\$8.04 per 1,000 Gallons
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*Janell Pitts
Jesse Melcher Law Office, PLLC
127 N. Main St.
P.O. Box 345
Mount Olivet, KENTUCKY 41064

*Jesse Melcher
Jesse Melcher Law Office, PLLC
127 N. Main St.
P.O. Box 345
Mount Olivet, KENTUCKY 41064

*Harrison County Water Association, Inc.
2167 US 27 South
Cynthiana, KY 41031