



Steven L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
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P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
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psc.ky.gov

David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

May 10, 2012

Brendon D. Miller, Esq.  
1149 Main Street  
Jackson, Kentucky 41339

Re: Case No. 2012-00115  
Breathitt County Water District

Dear Mr. Miller:

The enclosed documents have been filed in the record of the above-referenced case. Any objections to this action should be submitted to the Commission within five days of receipt of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen  
Executive Director

gw

Enclosures

1. E-mail Message dtd 4/23/2012
2. Cost of Operations
3. E-mail Message dtd 4/18/2012

**From:** [Wuetcher, Jerry \(PSC\)](#)  
**To:** [bdmiller@setel.com](mailto:bdmiller@setel.com)  
**Subject:** PSC Case No. 2012-00115: Status Update  
**Date:** Wednesday, April 18, 2012 5:12:08 PM

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Mr. Miller:

I received a message that you had called regarding the status of Breathitt County Water District's Application in the above-referenced case. I was out of the office most of this day. I have attempted to contact you by telephone a few minutes ago, but no one answered.

Currently, the Breathitt District's application has not been accepted for filing. It fails to comply with 807 KAR 5:001, Section 9(2)(f) in that it fails to contain an estimated cost of operation after the proposed facilities are completed. A deficiency notice should be sent to Breathitt District within the next two days. To avoid the issuance of the deficiency notice, I respectfully suggest that you submit a letter to the PSC in which you provide the omitted information. If you wish to submit by e-mail, you may send to me and I will ensure the material is filed in the case record.

Since the filing of the application, Commission Staff has obtained all Division of Water records related to the proposed project and will be filing those records in the case record within the next seven days. After the filing of that material and the material noted above, final action should occur within 30 days.

If you have any additional questions, please contact me.

Sincerely,

Gerald E. Wuetcher  
Executive Advisor/Attorney  
Public Service Commission of Kentucky  
[gerald.wuetcher@ky.gov](mailto:gerald.wuetcher@ky.gov)  
Office: (502) 564-3940 x259  
Cell: (502) 229-6500

**From:** [bdmiller@setel.com](mailto:bdmiller@setel.com)  
**To:** [Wuetcher, Jerry \(PSC\)](#)  
**Cc:** [msteen@nei-ky.com](mailto:msteen@nei-ky.com)  
**Subject:** [Fwd: RE: PSC Case No. 2012-00115: Status Update]  
**Date:** Monday, April 23, 2012 12:37:25 PM  
**Attachments:** [untitled-1.2](#)  
[duck\\_hollow\\_cost\\_of\\_operations.pdf](#)

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Mr. Wuetcher:

Attached is the additional information on PSC Case No. 2012-00115 from the Breathitt County Water District. Please let me know if I need to do any formal filing or if this attachment will be sufficient.

Thanks for all your help.

Brendon D. Miller  
Breathitt County Attorney  
1149 Main Street  
Jackson, Kentucky 41339  
(606) 666-3809  
(606) 666-4422 Fax  
(606) 568-5315 cell  
[bdmiller@setel.com](mailto:bdmiller@setel.com)

----- Original Message -----  
Subject: RE: PSC Case No. 2012-00115: Status Update  
From: "Steen, Matt" <[msteen@nei-ky.com](mailto:msteen@nei-ky.com)>  
Date: Mon, April 23, 2012 11:57 am  
To: "bdmiller@setel.com" <[bdmiller@setel.com](mailto:bdmiller@setel.com)>  
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Brendon,  
This should be the additional information PSC needs.  
Sorry it was left out of the final engineering report.  
Let me know if you need anything else.

Matt Steen, Senior Engineering Technician  
Nesbitt Engineering Inc.  
direct (859) 685-4523  
cell (859) 559-2399

From: Brendon D. Miller [<mailto:bdmiller@setel.com>]  
Sent: Thursday, April 19, 2012 8:08 AM  
To: Steen, Matt  
Subject: Fw: PSC Case No. 2012-00115: Status Update

Sent from my BlackBerry(r) smartphone powered by Appalachian Wireless

From: "Wuetcher, Jerry (PSC)" <[JWuetcher@ky.gov](mailto:JWuetcher@ky.gov)>  
Date: Wed, 18 Apr 2012 17:12:07 -0400  
To: <[bdmiller@setel.com](mailto:bdmiller@setel.com)>  
Subject: PSC Case No. 2012-00115: Status Update

Mr. Miller:

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Sincerely,

Gerald E. Wuetcher  
Executive Advisor/Attorney  
Public Service Commission of Kentucky  
gerald.wuetcher@ky.gov <<mailto:gerald.wuetcher@ky.gov>>  
Office: (502) 564-3940 x259  
Cell: (502) 229-6500

# Breathitt County Water District

Case #2012-00115 Duck Hollow, Copeland & River Caney Waterline Extensions  
998-32

### Electrical Rates - AEP (Tariff 215-Medium General Service)

Monthly Basic Fee	\$ 13.50
Usage Rate	\$ 0.09862 per KWH for first 200 KWH
	\$ 0.08460 per KWH after first 200 KWH
Demand Factor	\$ 1.64 per KWH

### New Pump Data (River Caney)

Average Flow Rate	80	gpm
Horsepower	20	
Efficiency	75%	
Hours of Operation	6.00	hours/day

### New Pump Data (Duck Hollow)

Average Flow Rate	16	gpm
Horsepower	3	
Efficiency	75%	
Hours of Operation	16.00	hours/day

### Demand of Customers

Estimated Customers	103	homes
New - Total Estimate Flow	15,450	gallons/day

Opinion of Probable Cost of Operation						
<b>Proposed Operating Conditions</b>						
<b>New Production Cost</b>						
Purchase Price per 1,000 gallons (Purchased from the City of Jackson)						\$ 2.90
Total - Proposed Annual Cost of Purchased Water						\$ 16,353.83
<b>Operation Costs</b>						
Pumping Costs						
River Caney Booster Station Electric Consumption	133	KWH per Day	48,407	KWH per year		
Duck Hollow Hydropneumatic Station Electric Consumption	53	KWH per Day	19,363	KWH per year		
Total Project Electric Consumption	186	KWH per Day	67,770	KWH per year		
	Monthly Basic Fee (\$13.50 x 12 months)				\$ 162.00	
	Usage Rate (200 KW x \$0.09862 + ((80,679 KW - 200 KW) x \$0.0846))				\$ 6,683.47	
	Demand Charge (61.43 KW x \$1.64 x 12 months)				\$ 1,208.94	
Total - Proposed Annual Pumping Cost						\$ 8,054.42
<b>Total - Proposed Annual Production &amp; Operation Costs</b>						<b>\$ 24,408.24</b>