

BRONSTON WATER ASSOCIATION, INC.

P.O. BOX 243
BRONSTON KY 42518
(606) 561-5209

May 15, 2012

Mr. Jeff Derouen
Executive Director
KY Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

JUN 20 2012
PUBLIC SERVICE
COMMISSION

Re: Formal Application for a Purchased Water Adjustment

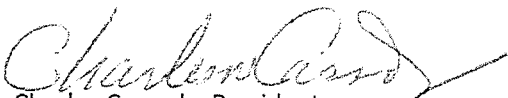
Dear Mr. Derouen:

Enclosed is an original of an application for a purchased water rate adjustment for Bronston Water Association, Inc. The adjustment is necessary to recover an increase in the cost of water attributable to our supplier's new wholesale rates.

The Association will publish the enclosed public notice of the requested rate revisions in the local newspaper. In accordance with PSC rules and regulations, the notice will be published before the new bills are issued and will be published one time. A copy of the newspaper notice and an affidavit verifying publication will be forwarded to you upon publication.

The Association has previously filed income statements and balance sheets with the Public Service Commission. These income statements and balance sheets are currently on file with the Commission.

Sincerely,


Charles Cassada, President

Enclosures

FOR Pulaski County, Kentucky

PSC KY NO. 1

Original SHEET NO. 8

Bronston Water Association, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO.

 SHEET NO.

RATES AND CHARGES

E. PURCHASED WATER RATES:

	<u>Rate</u>
City of Monticello	\$2.60 per 1,000 Gallons

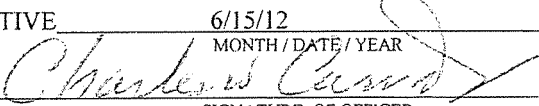
F. LEAK ADJUSTMENT RATE: \$4.15 per 1,000 Gallons

DATE OF ISSUE 5/15/12

MONTH / DATE / YEAR

DATE EFFECTIVE 6/15/12

MONTH / DATE / YEAR

ISSUED BY 

SIGNATURE OF OFFICER

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. DATED

FOR Pulaski County Kentucky

PSC KY NO. 1

SHEET NO. 4

Bronston Water Association Inc
(NAME OF UTILITY)

CANCELLING PSC KY NO. 1

SHEET NO. 4

RATES AND CHARGES

Monthly Water Rates:

5/8 x 3/4 Inch Meter

First 1,500 Gallons \$16.04 Minimum Bill
All Over 1,500 Gallons \$6.75 Per 1,000 Gallons

1-Inch Meter

First 5,000 Gallons \$38.97 Minimum Bill
All Over 5,000 Gallons \$6.75 Per 1,000 Gallons

2-Inch Meter

First 20,000 Gallons \$110.95 Minimum Bill
All Over 20,000 Gallons \$6.75 Per 1,000 Gallons

4-Inch Meter

First 50,000 Gallons \$263.35 Minimum Bill
All Over 50,000 Gallons \$6.75 Per 1,000 Gallons

Hydrants \$4.17/ Per Hydrant/Month

DATE OF ISSUE 5/15/12

MONTH / DATE / YEAR

DATE EFFECTIVE 6/15/12

MONTH / DATE / YEAR

ISSUED BY *Charles W. Casper*

SIGNATURE OF OFFICER

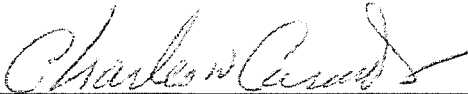
TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

**PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND ASSOCIATIONS
(807 KAR 5:068)**

Name of Utility		BRONSTON WATER ASSOCIATION	
Date			
Address		PO BOX 243	
City, State, Zip		BRONSTON, KENTUCKY	42518
Telephone Number		606-561-5209	
1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.			
Supplier(s)	Base Rate	Changed Rate	
Monticello Utility Commission	\$2.40	\$2.60	
1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit A			
2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).			
From	April 2011	through	April 2012
	(month and year)		(month and year)
3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.			

Supplier(s)	Gallons Purchased during 12 month period
Monticello Utility Commission	85,976,100
TOTAL PURCHASES	85,976,100
4. Total gallons sold for the 12 month period	68,666,310
5. Increased water cost	\$17,202,420.00
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.25
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</p>	
7. Proposed effective date	June 15, 2012
	
Signature of Utility Officer	
President	
Title	

Increased Water Calculation: $85,976,100 * 2.60 = \$223,537.86$
 $85,976,100 * 2.40 = \$206,335.44$

Increased Water Cost = \$ 17,195.22

Purchased Water Adjustment Factor Calculation:

Increased Water Cost = \$ 17,195.22

Total Gallons Sold = 68,666,310

$\$17,195.22 / 68,666,310 = \0.25

BRONSTON WATER ASSOCIATION, INC.
MONTHLY BOARD MEETING
MAY 7, 2012

Directors Present: Charles Cassada, Eric Keith, Frank Childers, and Leland Keith.

Others Present: Vickie Ramsey, Patricia Blackson, Jesse Canada, and JC New.

President Charles Cassada called the meeting to order at 6:00pm.

The minutes of the previous meeting were read and approved with a motion by Frank Childers and second by Leland Keith.

ALL VOTES YEA

The financial report was read and approved with a motion by Leland Keith and second by Eric Keith.

ALL VOTES YEA

Two bids were received on the Echo Point Water Tank rehabilitation project. See Attachment #1. Eric Keith made a motion to award the bid to Caldwell Tanks with a second by Frank Childers.

ALL VOTES YEA

Eric Keith made a motion to pass through the Monticello Water rate increase on to the customers changing the minimum water rate from \$15.67 to \$16.04 with a second by Frank Childers.

ALL VOTES YEA

There was \$4904.28 collected in arrears for the month of April

Frank Childers made a motion to adjourn the meeting with a second by Leland Keith.

ALL VOTES YEA



Charles Cassada, President



Eric Keith, Secretary

FOR _____

PSC KY NO. _____

_____ SHEET NO. _____

MONTICELLO UTILITY COMMISSION
(NAME OF UTILITY)

CANCELLING PSC KY NO. _____

_____ SHEET NO. _____

WHOLESALE WATER SERVICE

Bronston Water Association, Inc.:

First 2 Million Gallons (@ \$2.60 per 1,000)	\$5 200.00	Minimum Bill
All usage over 2 Million Gallons	\$2.60	Per 1,000 Gallons

The previous rate of \$2.40 per 1,000 gallons became effective in 2008.

DATE OF ISSUE 05/15/2012
MONTH / DATE / YEAR

DATE EFFECTIVE 06/15/2012
MONTH / DATE / YEAR

ISSUED BY *Jonathan R. Edwards*
SIGNATURE OF OFFICER

TITLE General Counsel, Monticello Utility Commission

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO _____ DATED _____

NOTICE

Monticello Utility Commission, a division of the City of Monticello, Kentucky, has filed a proposed rate schedule which will increase by 8.3 percent the rate(s) which it currently charges to Bronston Water Association, Inc., for water service. Monticello Utility Commission, a division of the City of Monticello, Kentucky, currently charges (Bronston Water Association, Inc., \$2.40 per 1,000 gallons for water service. It proposes to charge Bronston Water Association, Inc., \$2.60 per 1,000 gallons for water service effective June 15, 2012, pending approval by the Kentucky Public Service Commission.

The rates contained in this notice are the rates proposed by Monticello Utility Commission, a division of the City of Monticello, Kentucky. The Public Service Commission, however, may order rates to be charged that differ from the proposed rates contained in this notice.

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Any person who has been granted intervention by the Public Service Commission may obtain copies of the rate application and any other filings made by Monticello Utility Commission, a division of the City of Monticello, Kentucky, by contacting Gene Jones, System Manager, Monticello Utility Commission, P.O. Box 549, Monticello, KY 42633, Phone (606) 348-8473.

Any person may examine Monticello Utility Commission's rate application and any other filings at its main office at 1040 North Main Street, Monticello, KY 42633, or at the Public Service Commission's Offices at P.O. Box 615, 211 Sower Boulevard, Frankfort, Kentucky 40602-0615.