

KNOX COUNTY UTILITY COMMISSION  
P.O. BOX 1630  
BARBOURVILLE KY 40906  
606-546-5300  
606-546-3099 FAX

June 10 2013

RECEIVED

JUN 13 2013

PUBLIC SERVICE  
COMMISSION

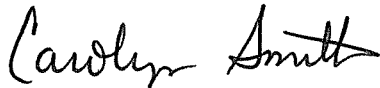
Jeff Derouen  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602-0615

RE: Purchase Water Adjustment

Dear Mr Derouen

Enclosed is the original and 10 copies of the Purchased Water Adjustment for Water Districts and Associations with the revised tariff sheet. Included is the notice from Barbourville Utility Commission notifying Knox County Utility Commission of current and future increases for sewer treatment as attachment A.

Sincerely,



Carolyn Smith,  
Asst. Superintendent

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

**RECEIVED**

JUN 13 2013

PUBLIC SERVICE  
COMMISSION

Name of Utility	Knox County Utility Commission	
Date	June 4 2013	
Address	P O Box 1630	
City, State, Zip	Barbourville KY 40906	
Telephone Number	606-546-5300	

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
Barbourville	\$9.35 Min. (Zero Usage) \$3.47 per 1,000 gall	\$12.16 Min. (Zero Usage) \$4.51 per 1,000 gall

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 2012	through	March 2013
	(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 Disposed during 12 month period
Barbourville	2,283,200
<b>TOTAL DISPOSED</b>	2,283,200
4. Total gallons sold for the 12 month period	2,314,400
5. Increased water cost	\$2,408.25
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$1.04
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p><b>Note:</b> 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	August 1, 2013
	
Signature of Utility Officer Acting Chairman David Evans	
Title	

# Knox County Utilities

<u>SUPPLIER</u>	<u>NEW RATE</u> (per 1,000)	<u>OLD RATE</u> (per 1,000)	
<b>BARBOURVILLE</b>	<b>\$4.5100</b>	<b>\$3.4700</b>	
TWELVE MONTH TEST PERIOD:		<b>April 2012 through March 2013</b>	
		<u>GALLONS PURCHASED</u> <u>DURING TEST PERIOD</u>	
<b>BARBOURVILLE</b>		<b>2,283,200</b>	
TOTAL		2,283,200	
<u>SUPPLIER</u>	<u>COST AT</u> <u>NEW RATE</u>	<u>COST AT</u> <u>OLD RATE</u>	
BARBOURVILLE	\$10,297.23	\$7,922.70	
PLUS MINIMUM BILL	\$145.92	\$112.20	INCREASED
			<u>WATER COST</u>
TOTAL	\$10,443.15	\$8,034.90	= \$2,408.25
TOTAL GALLONS SOLD FOR THE TEST PERIOD :			<b>2,314,400</b>
			q
Increased Water Cost /( total gallons sold / 1,000) = Purchased Water Adjustment Factor			
\$2,408.25	/	2,314,400	/1000
			=
			ROUNDED
			<b>1.04</b>

ATTACHMENT A

**Barbourville Utility Commission**

**City of Barbourville**

**Commonwealth of Kentucky**

**Sewer Rate Resolution**

**Effective May 1, 2012**

**Section 1:** This Resolution shall replace and supersede any and all previous rates as they pertain to wastewater collected and treated by the Barbourville Utility Commission.

**Section 2:** Each residential customer of the sewer system located inside the city limits shall have a separate water meter and shall pay a monthly service charge based upon the size of the meter as follows:

<b><u>Size of Water Meter</u></b>	<b><u>2011 Rate</u></b>	<b><u>2012 Rate</u></b>	<b><u>2013 Rate</u></b>	<b><u>2014 Rate</u></b>	<b><u>2015 Rate</u></b>
¾" meter	\$6.60	\$8.58	\$9.87	\$11.35	\$12.48
1" meter	\$12.20	\$17.16	\$19.73	\$22.69	\$24.96
2" meter	\$26.40	\$34.32	\$39.47	\$45.39	\$49.93

**Section 3:** Each commercial customer of the sewer system located inside the city limits shall have a separate water meter and shall pay a monthly service charge based upon the size of the meter as follows:

<b><u>Size of Water Meter</u></b>	<b><u>2011 Rate</u></b>	<b><u>2012 Rate</u></b>	<b><u>2013 Rate</u></b>	<b><u>2014 Rate</u></b>	<b><u>2015 Rate</u></b>
¾" meter	\$6.60	\$10.56	\$12.67	\$15.21	\$16.73
1" meter	\$12.20	\$21.12	\$25.34	\$30.41	\$33.45
2" meter	\$26.40	\$42.24	\$50.69	\$60.83	\$66.91
3" meter	\$52.80	\$84.48	\$101.38	\$121.65	\$133.82
4" meter	\$105.60	\$168.96	\$202.75	\$243.30	\$267.63

**Section 4:** Each residential customer of the sewer system located outside the city limits shall have a separate water meter and shall pay a monthly service charge based upon the size of the meter as follows:

<b><u>Size of Water Meter</u></b>	<b><u>2011 Rate</u></b>	<b><u>2012 Rate</u></b>	<b><u>2013 Rate</u></b>	<b><u>2014 Rate</u></b>	<b><u>2015 Rate</u></b>
¾" meter	\$9.35	\$12.16	\$13.98	\$16.07	\$17.68
2" meter	\$37.40	\$48.62	\$55.91	\$64.30	\$70.73

**Section 5:** Each commercial customer of the sewer system located outside the city limits shall have a separate water meter and shall pay a monthly service charge based upon the size of the meter as follows:

<u>Size of Water Meter</u>	<u>2011 Rate</u>	<u>2012 Rate</u>	<u>2013 Rate</u>	<u>2014 Rate</u>	<u>2015 Rate</u>
¾" meter	\$9.35	\$14.96	\$17.95	\$21.54	\$23.70
1" meter	\$18.70	\$29.92	\$35.90	\$43.08	\$47.39
2" meter	\$37.40	\$59.82	\$71.81	\$86.17	\$94.79

**Section 6:** Each residential customer located inside the city limits shall pay the following for wastewater treated:

	<u>2011 Rate</u>	<u>2012 Rate</u>	<u>2013 Rate</u>	<u>2014 Rate</u>	<u>2015 Rate</u>
Per 1000 gallons	\$2.35	\$3.06	\$3.51	\$4.04	\$4.44

**Section 7:** Each commercial customer located inside the city limits shall pay the following for wastewater treated:

	<u>2011 Rate</u>	<u>2012 Rate</u>	<u>2013 Rate</u>	<u>2014 Rate</u>	<u>2015 Rate</u>
Per 1000 gallons	\$2.35	\$3.76	\$4.51	\$5.41	\$5.96

**Section 8:** Each residential customer located outside the city limits shall pay the following for wastewater treated:

	<u>2011 Rate</u>	<u>2012 Rate</u>	<u>2013 Rate</u>	<u>2014 Rate</u>	<u>2015 Rate</u>
Per 1000 gallons	\$3.47	\$4.51	\$5.19	\$5.97	\$6.56

**Section 9:** Each commercial customer located outside the city limits shall pay the following for wastewater treated:

	<u>2011 Rate</u>	<u>2012 Rate</u>	<u>2013 Rate</u>	<u>2014 Rate</u>	<u>2015 Rate</u>
Per 1000 gallons	\$3.47	\$5.55	\$6.66	\$7.99	\$8.79

**Section 10:** Each Flat Rate customer shall pay the following for wastewater treated:

<b><u>Size of Water Meter</u></b>	<b><u>2011 Rate</u></b>	<b><u>2012 Rate</u></b>	<b><u>2013 Rate</u></b>	<b><u>2014 Rate</u></b>	<b><u>2015 Rate</u></b>
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¾" meter	\$15.00	\$23.80	\$30.93	\$40.91	\$60.31
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**Section 11:** In addition to the above rates, on July 1 of each year the Utility Commission may adjust rates based upon the Consumer Price Index (CPI) for the preceding year. Documentation for the CPI shall be available from the U.S. Department of Labor.

Approved and Adopted on: March 1, 2012

By: \_\_\_\_\_  
Lewis Hopper, Chairman



If you have any questions, please don't hesitate to call.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chris Brewer', with a long horizontal flourish extending to the right.

Chris Brewer, P.E., MBA  
Director of Environmental Services

FOR Knox, Whitley and Bell Counties

PSC KY NO. 2

Revised SHEET NO. 2

Knox County Utility Commission Sewer Division  
(NAME OF UTILITY)

CANCELLING PSC KY NO. 1

Original SHEET NO. 1

CONTENTS

Rates for Service

Monthly Rate

\$7.29 per 1,000 gallons of water

Sewer service rates will be applied to water consumed by customer for which the Knox County Utility Commission is assessed a treatment fee by the city of Barbourville. For example, the Knox Central High School will not be charged sewer service rates for water used to water its athletic fields so long as the city of Barbourville does not charge a wastewater treatment fee for this water.

Late Payment Penalty

Any customer not paying their bill before the stated due date will be assessed a ten (10) percent late payment penalty. The penalty will be assessed only once on any bill for rendered services. Any payment received from the customer will first be applied to the bill for service rendered. Additional penalty charges will not be assessed on unpaid penalty charges.

Returned Check Charge

A \$25.00 returned check charge will be assessed one time for each returned check. Only one \$25.00 charge will be assessed by the Knox County Utility Commission for those paying a water and sewer bill with the same check that is subsequently returned.

Tap Fee

Residential Customers

\$1,185.00

Other

Actual Costs

When actual costs of taps are to be paid by a customer, Knox County Utility Commission shall provide the customer with an itemized cost estimate of installing the tap. The customer will be required to deposit the estimated amount with Knox County Utility Commission. Once the tap has been installed Knox County Utility will provide to the customer an itemized list of the actual tap costs as compared to the itemized estimate. At that time Knox County Utility Commission will collect or refund any differences in the amount deposited and the actual cost.

DATE OF ISSUE

02/28/2006  
MONTH / DATE / YEAR

DATE EFFECTIVE

08/01/2013  
MONTH / DATE / YEAR

ISSUED BY

  
SIGNATURE OF OFFICER

TITLE

Acting Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_