

# SOUTHEAST DAVIESS COUNTY WATER DISTRICT

3400 Bittel Rd.  
Owensboro, KY 42301  
Phone: (270) 685-5594  
Fax: (270) 683-6324

May 12, 2014

RECEIVED

MAY 15 2014

PUBLIC SERVICE  
COMMISSION

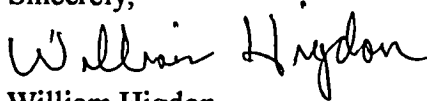
To: Public Service Commission  
Executive Director  
211 Sower Blvd  
P.O. Box 615  
Frankfort, KY 40602

RE : Response to Supplemental Filing Deficiency in Case # 2014-0145

On May 12, 2014 the Public Service Commission issued a supplemental filing deficiency in Case # 2014-0145 in which the Southeast Daviess County erroneously submitted a copy of the public notice of our partner District ; West Daviess County Water District. Attached you will find the resubmitted application and 10 copies.

If you have any questions concerning this, please contact our office.

Sincerely,



William Higdon  
Manager

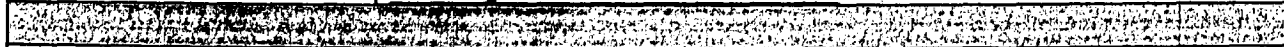
**PURCHASED WATER ADJUSTMENT FOR  
WATER DISTRICTS & WATER ASSOCIATIONS  
(807 KAR 5:068)**

**RECEIVED**

MAY 15 2014

PUBLIC SERVICE  
COMMISSION

Name of Utility	Southeast Daviess County Water District		
Date	4-14-14		
Address	3400 Bittel Rd		
City, State, Zip	Owensboro	KY	42301
Telephone Number	270-685-5594		
Official Email Address	kkrampe@oolwireless.net		



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
Owensboro Municipal Utilities	\$ 1.50 per 1,000 gallon	\$ 1.54 per 1,000 gallon



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  



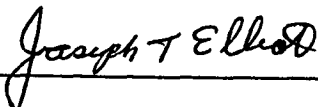
2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of the proposed effective date).

From	April 2013	through	March 2014
	(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
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Owensboro Municipal Utilites	615,133,000 gallons
<b>TOTAL PURCHASES</b>	<b>615,133,000 gallons</b>
<b>4. Total gallons sold for the 12 month period</b>	<b>574,262,280 gallons</b>
<b>5. Increased water cost</b>	<b>\$ 24,605.32</b>
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
<b>6. Purchased water adjustment factor</b>	<b>\$ .04 per 1,000 gallons</b>
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
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.	
<b>7. Proposed effective date</b>	<b>June 1, 2014</b>
NOTE: The next 2-steps only apply to water districts.	
<b>8. Date reported to the appropriate governing body</b>	<b>April 4, 2014</b>
<b>9. Date attended (or scheduled to attend) meeting with the appropriate governing body</b>	<b>April 17, 2014</b>
 Signature of Utility Officer	
Board Chairman Title	

# SOUTHEAST DAVIESS COUNTY WATER DISTRICT

## SCHEDULE OF RATES

Below is a schedule showing our current and proposed rates as requested:

### Residential, Commercial, and Farmstead Customers

	<u>Current</u>	<u>Proposed</u>
First 20,000 gallons (per 1,000 gallons)	\$ 3.44	\$ 3.48
Over 20,000 gallons (per 1,000 gallons)	\$ 2.59	\$ 2.63

### Wholesale Customers

	<u>Current</u>	<u>Proposed</u>
Per 1,000 gallons	\$ 1.85	\$ 1.89



Exhibit A

March 14, 2014

Mr. William Higdon, Manager  
Southeast Daviess County Water District  
3400 Bittel Road  
Owensboro, KY 42301

Re: Wholesale Water Rate Calculations

Dear Bill:

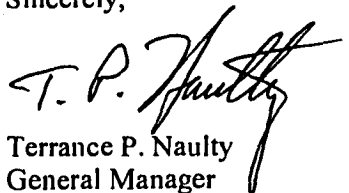
We have made the required rate calculations for fiscal year 2014-2015, as per the terms of our contract. A copy of these calculations is enclosed, as well as a copy of the fiscal year 2012-2013 true-up calculations.

Based on these calculations, the rate charged to the Southeast Daviess County Water District will become \$1.540 per thousand gallons for the fiscal year beginning June 1, 2014, an increase of 2.7% versus the prior fiscal year.

The ultimate per unit cost to Southeast District is dependent upon annual water usage and the costs contractually allocated to your district. Future year calculations may result in fluctuations in the rate per thousand gallons. The formal calculation will continue to be prepared annually.

Please contact me with any questions, or if you need further information.

Sincerely,



Terrance P. Naulty  
General Manager

Cc: Kentucky Public Service Commission  
L. Holland, K. Roberts, R. Leesman

Enclosures

**Exhibit B**

	<u>Sales</u>	<u>Gallons Purchased</u>
Apr 2013	39,826,310	49,601,000
May	43,587,570	56,069,000
Jun	58,518,730	52,310,000
Jul	51,987,250	60,563,000
Aug	58,742,870	62,262,000
Sep	58,782,380	58,192,000
Oct	49,156,370	48,055,000
Nov	47,254,750	39,233,000
Dec	40,303,580	49,205,000
Jan 14	44,513,400	48,552,000
Feb	44,021,300	44,531,000
Mar	39,567,770	46,560,000
	<u>574,262,280</u>	<u>615,133,000</u>

	1.500	
x	<u>1.027</u>	2.69%
	1.540	

Cost at changed rate  
 615,133,000 x 1.54 per 1,000 gallons = \$ 947,304.82

Cost at base rate  
 615,133,000 x 1.50 per 1,000 gallons = \$ 922,699.50  
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 \$ 24,605.32

Proposed decrease of water rates  
 \$ 24,605.32 / 574,262,280 / 1000 gallons  
 = 0.04 per 1,000 gallons

# **SOUTHEAST DAVIESS COUNTY WATER DISTRICT**

3400 Bittel Rd.  
Owensboro, KY 42301  
Phone: (270) 685-5594  
Fax: (270) 683-6324

April 14, 2014

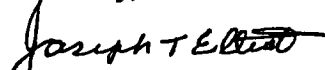
**To : Executive Director  
Public Service Commission**

**RE : Purchased Water Adjustment**

**At the meeting of the Board of Commissioners of the Southeast Daviess County Water District on April 14, 2014, it was unanimously decided to approve an application of a purchased water adjustment to the Public Service Commission in the amount of \$ .04 per 1,000 gallons to all customers.**

**If you have any questions concerning this, please contact our office.**

Sincerely,



**Joseph T. Elliott  
Board Chairman**

## LEGAL NOTICE

Notice is hereby given that the Southeast Daviess County Water District (District) has filed an application with the Public Service Commission (PSC) to adjust its water rates as a result of an increase from its supplier, Owensboro Municipal Utilities. The proposed effective date is June 1, 2014. The proposed changes are as follows:

### Residential, Commercial, Farmstead Customers

<u>Monthly Rates</u>	<u>Existing Rates</u>	<u>Proposed Rates</u>	<u>\$ Increase</u>	<u>% Increase</u>
First 20,000 gallons... per 1,000 gallons	\$ 3.44	\$ 3.48	\$ .04	1.16%
Over 20,000 gallons... per 1,000 gallons	\$ 2.59	\$ 2.63	\$ .04	1.54%

### Wholesale Customers

<u>Monthly Rates</u>	<u>Existing Rates</u>	<u>Proposed Rates</u>	<u>\$ Increase</u>	<u>% Increase</u>
Per 1,000 gallons	\$ 1.85	\$ 1.89	\$ .04	2.16%

The average bill for a customer using 5,000 gallons of water each month would increase 1.16% from \$ 17.20 to \$ 17.40 for an increase of \$ .20 in the average customer's monthly bill.

Any person may examine this application at the District's office located at 3400 Bittel Road in Owensboro, Kentucky; telephone (270) 685-5594.

Any person may examine this application at the PSC located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m. or on the PSC website at <http://psc.ky.gov>; telephone (502) 564-3940.