

Morgan County Water District

1009 HWY 172 ♦ WEST LIBERTY, KENTUCKY 41472 ♦ (606) 743-1204

Executive Director
KY Public Service Commission
PO Box 615
Frankfort, KY 40602

RE: Formal Application for Tariff Revisions to increase certain Non-recurring Charges

This is an application to revise certain non-recurring charges for the Morgan County Water District, 1009 Hwy 172, West Liberty, KY 41472. Attached is the non-recurring charge cost justifications and proposed tariff sheets.

The District is not requesting a water rate increase at this time. However, increased costs attributable to these non-recurring charges can no longer be absorbed by the District. The customers affected by these increases will be the customers that cause the District to incur these additional expenses.

The additional revenue generated from the proposed tariff revisions does not exceed by five (5) percent the total revenues provided by all miscellaneous and non-recurring charges for a recent twelve (12) month period.

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

The enclosed public notice was included on customer bills mailed on September 24, 2014. We will follow up with an affidavit from an authorized representative of the district verifying the contents of the notice, that notice was mailed to all customers, and the date of the mailing.

A copy of this application and related filings has been sent to the Attorney General's Office of Rate Intervention, 1024 Capital Center Drive, Suite 200, Frankfort, KY 40601-8204.

Sincerely,



Kyle Risner
General Manager

enclosure

**AVERAGE METER CONNECTION EXPENSE
COST JUSTIFICATION**

Name of Utility _____

The following is an itemization of expenses for providing a metered service connection.

A. Meter Size

5/8-Inch 3/4-Inch 1-Inch 1 1/2 -Inch 2-Inch

Other (specify) _____

B. Materials Expense

	<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1. Water Meter	<u>1</u>	<u>\$274.00</u>	<u>\$274.00</u>
2. Meter Yoke	_____	_____	_____
3. Corporation Stop	<u>1</u>	<u>\$32.29</u>	<u>\$32.29</u>
4. Meter Box and Top	<u>1</u>	<u>\$45.45</u>	<u>\$45.45</u>
5. Miscellaneous Fittings	<u>1</u>	<u>\$386.16</u>	<u>\$386.16</u>
6. Other (Itemize)			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

TOTAL MATERIALS EXPENSE \$ 737.90
(add total cost)

C. Service Pipe Expense

Type of Service Pipe HDPE Size of Service Pipe 3/4"

	<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1. Short Side Service	<u>15'</u>	<u>\$0.28</u>	<u>\$4.20</u>
2. Long Side Service	<u>75'</u>	<u>\$0.28</u>	<u>\$21.00</u>
AVERAGE SERVICE PIPE EXPENSE (add total cost and divide by 2)			<u>\$ 12.60</u>

D. Installation Labor Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>3</u>	<u>\$27.00</u>	<u>\$81.00</u>
2. Long Side Service	<u>5</u>	<u>\$27.00</u>	<u>\$135.00</u>
AVERAGE INSTALLATION LABOR EXPENSE (add total cost and divide by 2)			<u>\$ 108.00</u>

E. Installation Equipment Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>3</u>	<u>\$75.00</u>	<u>\$225.00</u>
2. Long Side Service	<u>5</u>	<u>\$75.00</u>	<u>\$375.00</u>
AVERAGE INSTALLATION EQUIPMENT EXPENSE (add total cost and divide by 2)			<u>\$ 300.00</u>

F. Installation Miscellaneous Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Inspection	<u>1</u>	<u>\$17.00</u>	<u>\$17.00</u>
2. Site Clean-Up	<u>2</u>	<u>\$27.00</u>	<u>\$54.00</u>
3. Other			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
AVERAGE INSTALLATION MISCELLANEOUS EXPENSE (add total cost)			<u>\$ 71.00</u>

G. Overhead Expense

1. Installation expense (\$ 0) times
overhead rate (0 %) \$ 0

H. Administrative Expense

1. Office expense for establishing a new account
and billing record. \$ 11.00

I. Total Expenses

Materials Expense	<u>\$ 737.90</u>
Service Pipe Expense	<u>12.60</u>
Installation Labor Expense	<u>108.00</u>
Installation Equipment Expense	<u>300.00</u>
Installation Miscellaneous Expense	<u>71.00</u>
Overhead Expense	<u>0.00</u>
Administrative Expense	<u>11.00</u>

TOTAL CONNECTION EXPENSE **\$ 1,240.50**

**AVERAGE METER CONNECTION EXPENSE
COST JUSTIFICATION**

Name of Utility _____

The following is an itemization of expenses for providing a metered service connection.

A. Meter Size

5/8-Inch 3/4-Inch 1-Inch 1 1/2 -Inch 2-Inch

Other (specify) _____

B. Materials Expense

	<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1. Water Meter	<u>1</u>	<u>\$324.50</u>	<u>\$324.50</u>
2. Meter Yoke	_____	_____	_____
3. Corporation Stop	<u>1</u>	<u>\$47.98</u>	<u>\$47.98</u>
4. Meter Box and Top	<u>1</u>	<u>\$45.45</u>	<u>\$45.45</u>
5. Miscellaneous Fittings	<u>1</u>	<u>\$449.10</u>	<u>\$449.10</u>
6. Other (Itemize)			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

TOTAL MATERIALS EXPENSE \$ 867.03
(add total cost)

C. Service Pipe Expense

Type of Service Pipe HDPE Size of Service Pipe 3/4"

	<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1. Short Side Service	<u>15'</u>	<u>\$0.39</u>	<u>\$5.85</u>
2. Long Side Service	<u>75'</u>	<u>\$0.39</u>	<u>\$29.25</u>

AVERAGE SERVICE PIPE EXPENSE
(add total cost and divide by 2) \$ 17.55

D. Installation Labor Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>3</u>	<u>\$27.00</u>	<u>\$81.00</u>
2. Long Side Service	<u>5</u>	<u>\$27.00</u>	<u>\$135.00</u>

AVERAGE INSTALLATION LABOR EXPENSE
(add total cost and divide by 2) \$ 108.00

E. Installation Equipment Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>3</u>	<u>\$75.00</u>	<u>\$225.00</u>
2. Long Side Service	<u>5</u>	<u>\$75.00</u>	<u>\$375.00</u>

AVERAGE INSTALLATION EQUIPMENT EXPENSE
(add total cost and divide by 2) \$ 300.00

F. Installation Miscellaneous Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Inspection	<u>1</u>	<u>\$17.00</u>	<u>\$17.00</u>
2. Site Clean-Up	<u>2</u>	<u>\$27.00</u>	<u>\$54.00</u>
3. Other			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
AVERAGE INSTALLATION MISCELLANEOUS EXPENSE (add total cost)			<u>\$ 71.00</u>

G. Overhead Expense

1. Installation expense (\$ 0) times
overhead rate (0 %) \$ 0

H. Administrative Expense

1. Office expense for establishing a new account
and billing record. \$ 11.00

I. Total Expenses

Materials Expense	<u>\$ 867.03</u>
Service Pipe Expense	<u>17.55</u>
Installation Labor Expense	<u>108.00</u>
Installation Equipment Expense	<u>300.00</u>
Installation Miscellaneous Expense	<u>71.00</u>
Overhead Expense	<u>0.00</u>
Administrative Expense	<u>11.00</u>

TOTAL CONNECTION EXPENSE \$ 1,374.58

Utility Solutions LLC.

Quote

Date		P.O.#		
Invoice To		Phone#		
Ship To		Fax#		
Quantity	Description	Price	Amount	
1	1	18x24 Harker Meter Box	19.95 EA	19.95
2	1	Tan Meter Setter D Check	227.31 EA	227.31
3		Bull valve with S-Bar & PR/adjp		
4	1	18" Flat Lid TR Hole	25.50 EA	25.50
5	2	3/4 x 8" Brass Nipple	8.72 EA	17.44
6	2	3/4 CTS Female wrap	13.90 EA	27.80
7	1	3/4 600 XL LUSE	59.37 EA	59.37
8	1	6" x 3/4 Brass Saddle	51.44 EA	51.44
9	1	3/4 Corp stop	32.29 EA	32.29
10	10'	3/4 CTS Tying 250 PST	128 FT	2.80
11				
12		Prefab Meter		
13		Setting		
		Tax		
		Total		\$463.90

** QUOTATION **

S1646160

THE C.I. THORNBURG CO., INC.
LEXINGTON BRANCH
740 ENTERPRISE DRIVE
LEXINGTON, KY 40510

Page# 1

Bid To:

Ship To:

Acct #3092
MORGAN COUNTY WATER DISTRICT
1009 HWY 172
WEST LIBERTY, KY 41472
Phone # : 606-743-1204

MORGAN COUNTY WATER DISTRICT
1009 HWY 172
WEST LIBERTY, KY 41472

--Bid-Date---Expr-Date--Writer--Terms-----Ship Via-----
06/25/14 08/24/14 VASJOE NET 30 DAYS MOUNT.OUR TRUCK
--Purchase Order #-----CTNS / WT----Picker----Loader----Delivered By-----
STEVE

Bid-Qty--		Unit Price	Ext Price
12	5/8"x3/4" SRII TRPL 100G PL/BTM 5WH ELEC L/HOUSING S2DX538GGKX1XX RDP LL METER	159.00ea	1908.00
12	520R MKU SINGLE PORT METER W/ TRANSCEIVER UNIT W/ INTERNAL BATTERY AND HOURLY LEAK DETECTION INTERVALS M520R-C1-TC-X-AL 5396153752001AL	115.00ea	1380.00
	BID TOTAL		3288.00
	Bid Amount		3288.00

Extras not listed or spelled out are not included in pricing.
We reserve the right to correct clerical errors.

Utility Solutions LLC.

Quote

Date	8/11/14	1" Meter Setting	P.O.#	
Invoice To		Morgan Co. Water	Phone#	
Ship To			Fax#	606-743-9585
Quantity		Description	Price	Amount
1	1 EA	6" x 11" Saddle For C-900	51.44 EA	
2	1 EA	1" Corp Stop	47.98 EA	
3	1 FT	1" CTS Tubing	.39 FT	15' = \$5.85
4	3 EA	1" Insert	1.35 EA	3 = \$4.05
5	1 EA	18" x 24" Meter Box	19.95 EA	
6	1 EA	18" Flat lid with hole	25.50 EA	
7	1 EA	1" PRV	145.21 EA	
8	1 EA	Single Meter Setter (Check Valve 5 Bar)	252.45	570.75
9				
10				
11				
12				
13				
			Tax	
			Total	\$552.43

** QUOTATION **

S1651159

THE C.I. THORNBURG CO., INC.
LEXINGTON BRANCH
740 ENTERPRISE DRIVE
LEXINGTON, KY 40510

Page# 1

Bid To:

Acct #3092
MORGAN COUNTY WATER DISTRICT
1009 HWY 172
WEST LIBERTY, KY 41472
Phone # : 606-743-1204

Ship To:

MORGAN COUNTY WATER DISTRICT
1009 HWY 172
WEST LIBERTY, KY 41472

--Bid-Date---Expr-Date--Writer--Terms-----Ship Via-----
08/08/14 10/07/14 VASJOE NET 30 DAYS MOUNT.OUR TRUCK
--Purchase Order #-----CTNS / WT---Picker---Loader-----Delivered By-----
METER/MKU QUOTE

Bid-Qty--

Unit Price Ext Price

1	1" SRII TRPL 100G CI/BTM 5WH OPTO L/HOUSING RDP LL METER	209.50ea	209.50
1	520R MKU SINGLE PORT TRANSCEIVER W/ INTERNAL BATTERY AND HOURLY LEAK DETECTION INTERVALS M520R-C1-TC-X-AL 5396153752001AL	115.00ea	115.00

BID TOTAL	324.50
Bid Amount	324.50

Extras not listed or spelled out are not included in pricing.
We reserve the right to correct clerical errors.

Legal Notice:

The Morgan County Water District ("District") has filed an application with the Public Service Commission ("PSC") to make the following revisions to its schedule of charges. The proposed effective date is November 1, 2014.

Meter Tap-on Fees	Current	Proposed	% Increase
5/8 x 3/4-inch meter taps	\$590	\$750	27%
1-inch meter taps	\$590	\$1,000	70%

Any person may examine this application at the district's office located at 1009 KY Hwy 172, West Liberty, KY 41472; telephone (606) 743-1204.

Any person may examine this application at the PSC located at 211 Sower Boulevard, Frankfort, KY, 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.

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