

Farmdale Water District
100 HIGHWOOD DRIVE
FRANKFORT, KENTUCKY 40601

COMMISSIONERS:
CLIFFORD TOLES, CHAIRMAN
YVONNE HILL, TREASURER
CRAIG BLANTON, SECRETARY

TELEPHONE
(502) 223-3562
FAX: (502) 352-2999

RECEIVED

NOV 18 2014

PUBLIC SERVICE
COMMISSION

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

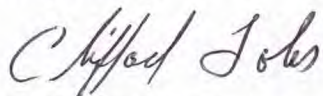
November 17, 2014

Mr. Derouen:

We are submitting an application for a water rate increase based on a newly approved rate increase by our water supplier, Frankfort Electric and Water Plant Board.

Included is a copy of notice for such charges, our current and proposed rates, and a copy of the minutes of the Board approving the increase to be passed on to our customers. Also included are the Purchased Water Adjustment forms.

Respectfully,



Clifford Toles, Chairman

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

RECEIVED

Name of Utility	Farmdale Water District	NOV 18 2014
Date	November 17, 2014	PUBLIC SERVICE COMMISSION
Address	100 Highwood Drive	
City, State, Zip	Frankfort, KY 40601	
Telephone Number	502-223-3562	
Email Address	fwd@fewpb.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.

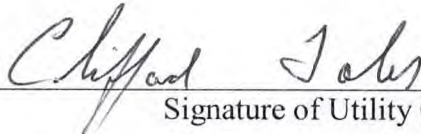
Supplier(s)	Base Rate	Changed Rate
Frankfort Plant Board	2.01	2.25
KRA Fee	.20	.20

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit

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	September, 2013	through	August, 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
Frankfort Plant Board	231,762
TOTAL PURCHASES	231,762
4. Total gallons sold for the 12 month period	170,496
5. Increased water cost	\$55,622.88
<p>The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Exhibit</p>	
6. Purchased water adjustment factor	.32
<p>The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.</p> <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.</p>	
7. A schedule listing the current and proposed rates is attached as Exhibit	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit	
9. Proposed effective date	December 1, 2014
	
Signature of Utility Officer	
Chairman	
Title	

Farmdale Water District

	Base Rate	Changed Rate
FEWPB	2.01	2.25
KRA Fee	.20	.20
Total Purchased:	231,762	
Total Sold:	170,496	
Increased Cost:	\$55,622.88	
Purchased water adjustment increase factor:	.32	
Proposed effective Date:	December 1, 2014	

Farmdale Water District

	New Rate	Base Rate
Gallons purchased:	231,762	231,762
Volumetric Rate	2.25/1,000	2.01/1,000
KRA Fee	.20	.20
	\$567,816.90	\$512,194.02
Increased Cost:	\$55,622.88	
Divided by gallons sold:	170,496	
Purchased water adjustment increase factor:	.32	

The adoption of this Recommendation will eliminate the need for the Commission and the parties to expend significant resources in litigation of this proceeding, and eliminate the possibility of, and any need for, rehearing or appeals of the Commission's final order. Therefore, the parties stipulate and recommend the following:

1. FPB should be permitted to adjust its rates to recover more in annual revenue than it is recovering under its current rates, with such rates to be effective for service rendered on and after November 1, 2014. The parties agree to phase in rate increases for the next four (4) years beginning with the current rate of \$2.25 per 1,000 gallons. Under this structure, the rates are as follows:

Year 1 (November 1, 2014 – October 31, 2015) - \$2.25 per 1,000 gallons

Year 2 (November 1, 2015 – October 31, 2016) - \$2.35 per 1,000 gallons

Year 3 (November 1, 2016 – October 31, 2017) - \$2.45 per 1,000 gallons

Year 4 (November 1, 2017 – October 31, 2018) - \$2.55 per 1,000 gallons

FPB will not increase the rates charged to the wholesale non-water producers (i.e. water districts and company) until after October 31, 2018. After October 31, 2018, FPB will continue to charge \$2.55 per 1,000 gallons until it files a revised tariff that is approved by the Commission. For the avoidance of doubt, changes in the Kentucky River Authority Withdrawal fee are not affected by this settlement.

The initial rate for water is established herein. Thereafter, all parties agree to attempt to resolve any future rate increases in good faith before filing with the Commission.

Farmdale Water Board Meeting 10-3-2014

In Attendance Clifford Toles, Yvonne Hill, and Craig Blanton

Customer Carolyn Wilson had an underground water leak and is asking for an adjustment. Craig made the motion, Yvonne seconded. Approved.

Clifford made a motion and presented to the Board a settlement document (Case #2014-00254) from several water districts concerning the Frankfort Plant Boards 48% water rate increase. The document says to spread the increase over 4 years. The first year rate increase is from \$2.01 per 1,000 to \$2.25 per 1,000 Gallons, effective November 1, 2014. Yvonne made the motion to pass the increase on to the customers. Clifford seconded. Passed unanimously.

David Robinson told the Board he found several leaks in our lines this month. Some small ones and others where customers “poked” holes in the lines. These were all repaired. We are continuously working to identify water line leaks throughout the system.

Adjourned.

FOR Entire Area Served
Community, Town or City

P.S.C. KY. NO. _____

Original SHEET NO. 2

CANCELLING P.S.C. KY. NO. _____

SHEET NO. _____

Farmdale Water District
(Name of Utility)

RATES & CHARGES

cA. GENERAL SERVICE MONTHLY RATES

5/8" x 3/4" Meter

First	2,000 gallons	\$16.30 Minimum Bill
Next	3,000 gallons	5.15 per 1,000 gallons
Next	5,000 gallons	4.69 per 1,000 gallons
Over	10,000 gallons	4.21 per 1,000 gallons

1" Meter

First	5,000 gallons	\$31.75 Minimum Bill
Next	5,000 gallons	5.15 per 1,000 gallons
Next	140,000 gallons	4.69 per 1,000 gallons
Over	150,000 gallons	4.21 per 1,000 gallons

4" Meter

First	50,000 gallons	\$223.60 Minimum Bill
Next	50,000 gallons	5.15 per 1,000 gallons
Next	50,000 gallons	4.69 per 1,000 gallons
Over	150,000 gallons	4.21 per 1,000 gallons

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Rates based on Monthly Consumption

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE July 23, 2014
Month / Date / Year

ISSUED BY *Chifford Jobs*
(Signature of Officer)

TITLE Chairman Board

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2013-00485 DATED July 23, 2014

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 7/23/2014 PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

Proposed New Rates

5/8" x 3/4" Meter

First	2,000 gallons	\$16.94 Minimum Bill
Next	3,000 gallons	5.47 per 1,000 gallons
Next	5,000 gallons	5.01 per 1,000 gallons
Over	10,000 gallons	4.53 per 1,000 gallons

1" Meter

First	5,000 gallons	\$33.35 Minimum Bill
Next	5,000 gallons	5.47 per 1,000 gallons
Next	140,000 gallons	5.01 per 1,000 gallons
Over	150,000 gallons	4.53 per 1,000 gallons

4" Meter

First	50,000 gallons	\$239.60 Minimum Bill
Next	50,000 gallons	5.47 per 1,000 gallons
Next	50,000 gallons	5.01 per 1,000 gallons
Over	150,000 gallons	4.53 per 1,000 gallons

Rates Based on Monthly Consumption

SPECIAL NOTICE TO FARMDALE WATER
DISTRICT CUSTOMERS
EFFECTIVE December 1, 2014

Domestic 5/8" x 3/4" meter

First 2000 gallons.....	16.94 minimum
Next 3000 gallons.....	5.47 per 1000
Next 5000 gallons.....	5.01 per 1000
Over 10000 gallons.....	4.53 per 1000

Domestic/Commercial/Industrial 1-inch meter

First 5000 gallons.....	33.35 Minimum
Next 5000 gallons.....	5.47 per 1000
Next 140000 gallons.....	5.01 per 1000
Over 150000 gallons.....	4.53 per 1000

PUBLIC SERVICE COMMISSION HOTLINE

1-800-772-4636

SPECIAL NOTICE TO FARMDALE WATER
DISTRICT CUSTOMERS
EFFECTIVE December 1, 2014

Domestic 5/8" x 3/4" meter

First 2000 gallons.....	16.94 Minimum
Next 3000 gallons.....	5.47 per 1000
Next 5000 gallons.....	5.01 per 1000
Over 10000 gallons.....	4.53 per 1000

Domestic/Commercial/Industrial 1-inch meter

First 5000 gallons.....	33.35 Minimum
Next 5000 gallons.....	5.47 per 1000
Next 140000 gallons.....	5.01 per 1000
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Next 5000 gallons.....	5.01 per 1000
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Next 5000 gallons.....	5.47 per 1000
Next 140000 gallons.....	5.01 per 1000
Over 150000 gallons.....	4.53 per 1000

PUBLIC SERVICE COMMISSION HOTLINE

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