

LEDBETTER WATER DISTRICT
1483 U. S. 60 West
P. O. Box 123
Ledbetter, Kentucky 42058

Phone: 270-898-3236
Fax: 270-898-3496
ledbetterwaterdi@bellsouth.net

RECEIVED

MAR 19 2013

PUBLIC SERVICE
COMMISSION

March 14, 2013

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

RE: Purchased Water Adjustment

Dear Mr. Derouen:

Ledbetter Water District hereby requests approval for a Purchased Water Adjustment. Pursuant to Case number 2012-00390, Crittenden-Livingston Water District has raised the rate that it charges us for water. The old rate was \$2.20 per thousand gallons, and the new rate is \$2.34. Attached are the application form for the requested PWA, and a revised tariff rate sheet. Also attached is the notice from Crittenden-Livingston regarding the rate increase.

Ledbetter Water District will publish notice of the rate increase, according to PSC regulation, one time prior to rendering bills at the new rate.. An affidavit from the publisher will be provided to the PSC when available. Attached is a copy of the proposed public notice of Ledbetter's PWA.

During the twelve month period from March 1, 2012 to February 28, 2013 Ledbetter Water District purchased 38,713,110 gallons of water from Crittenden-Livingston Water District. During the same period Ledbetter also produced 39,951,600 gallons. Water sales to customers during the period were 65,132,412 gallons.

The PWA factor calculates to 0.0832. In order to recover the full cost of the purchased water increase the PWA factor was rounded to 0.09. If you need more information please contact us.

Sincerely,



Billy Downs
District Manager

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

Name of Utility	Ledbetter Water District	
Date	March 4, 2013	
Address	1483 US 60 West, PO Box 123	
City, State, Zip	Ledbetter, KY 42058	
Telephone Number	270-898-3236	

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.

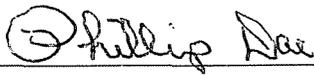
Supplier(s)	Base Rate	Changed Rate
CrittendenLivingston Water District	\$2.20/Thousand Gal.	\$2.34/Thousand Gal.

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	March 1, 2012	through	February 28, 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 Purchased during 12 month period
Crittenden-Livingston Water District	38,713,110 Gallons
Ledbetter Water District WTP	39,951,600 Gallons
TOTAL PURCHASED AND PRODUCED	78,664,710 Gallons
4. Total gallons sold for the 12 month period	65,132,412 Gallons
5. Increased water cost	\$5,419.84
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.09
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	April 1, 2013
	
Signature of Utility Officer	
Chairman	
Title	

Increased cost: $38,713.110 \times \$0.14/\text{thousand} = \$5,419.84$

Purchased Water Adjustment Factor:

$\$5,419.84$ divided by $65,132.412$ thousand gallons sold = $\$0.0832$

Rounded to $\$0.09$

FOR Ledbetter, Kentucky and southwestern
Livingston County_____

PSC KY NO. _____

_____ SHEET NO. _____

CANCELLING PSC KY NO. _____

_____ SHEET NO. _____

Ledbetter Water District
(NAME OF UTILITY)

Monthly Rates

CUSTOMER CHARGE

First 25,000 gallons

Over 25,000 gallons

\$6.59 Monthly Rate

\$5.51 per 1,000 gallons

3.68 per 1,000 gallons

DATE OF ISSUE _____
MONTH / DATE / YEAR

DATE EFFECTIVE April 1, 2013
MONTH / DATE / YEAR

ISSUED BY Phillip Dae
SIGNATURE OF OFFICER

TITLE Chairman

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

Attachment A
Customer Notice of Proposed
Rate Adjustment

NOTICE

Notice is hereby given that the Crittenden-Livingston Water District seeks approval by the Public Service Commission, Frankfort, Kentucky, for an adjustment of rates in the total amount of \$343,414 on an annual basis, which is an increase of approximately 17.1 percent. Crittenden-Livingston Water District is proposing to phase in its requested increase in rates in three phases. The initial phase will produce annual operating revenues from water sales of \$2,134,177, an increase in of \$124,345 or an increase of approximately 6.2 percent over normalized revenues from water sales of \$2,009,423. The Phase II rate increase will produce annual operating revenues from water sales of \$2,241,227, an increase in of \$107,050 or an increase of approximately 5.0 percent over normalized revenues from the phase I increase of \$2,134,177. The Phase III rate increase will produce annual operating revenues from water sales of \$2,352,837, an increase in of \$111,610 or an increase of approximately 5.0 percent over normalized revenues from the phase II increase of \$2,241,227. Phase II rates will become effective 14-months from the date that Phase I rates take effect and Phase III rates will become effective 14-months from the date that Phase II rates take effect

The estimated amount of the total increase per customer class/meter size is:

Meter Size	Total Increase	Percentage
5/8"x3/4"	\$ 249,874	72.762%
1"	6,695	1.950%
2"	15,997	4.658%
Bulk	660	0.192%
Wholesale	70,188	20.438%
Totals	\$ 343,414	100.000%

The comparison of the present and proposed rates of the Crittenden-Livingston Water District is as follows:

<u>5/8 inch Meter:</u>		<u>Current Rates</u>		<u>Proposed Rates – Phase I</u>	
First	2,000	\$16.00	Minimum Bill	\$16.99	Minimum Bill
Next	3,000	9.10	per 1,000 gallons	9.66	per 1,000 gallons
Next	5,000	7.80	per 1,000 gallons	8.28	per 1,000 gallons
All Over	10,000	6.15	per 1,000 gallons	6.53	per 1,000 gallons
<u>1-inch Meter:</u>		<u>Current Rates</u>		<u>Proposed Rates – Phase I</u>	
First	5,000	\$52.40	Minimum Bill	\$55.63	Minimum Bill
Next	5,000	9.10	per 1,000 gallons	9.66	per 1,000 gallons
Next	10,000	7.80	per 1,000 gallons	8.28	per 1,000 gallons
All Over	10,000	6.15	per 1,000 gallons	6.53	per 1,000 gallons

2-inch Meter:

First	20,000	\$136.9	Minimum Bill	\$145.33	Minimum Bill
Next	10,000	7.80	per 1,000 gallons	8.28	per 1,000 gallons
All Over	20,000	6.15	per 1,000 gallons	6.53	per 1,000 gallons
			<u>Current Rates</u>		<u>Proposed Rates – Phase I</u>
Bulk Sales		\$6.15	per 1,000 gallons	\$6.53	per 1,000 gallons
Wholesale		\$2.20	per 1,000 gallons	\$2.34	per 1,000 gallons

5/8 inch Meter:

			<u>Proposed Rates – Phase I</u>		<u>Proposed Rates – Phase II</u>
First	2,000	\$16.99	Minimum Bill	\$17.84	Minimum Bill
Next	3,000	9.66	per 1,000 gallons	10.14	per 1,000 gallons
Next	5,000	8.28	per 1,000 gallons	8.69	per 1,000 gallons
All Over	10,000	6.53	per 1,000 gallons	6.86	per 1,000 gallons

1-inch Meter:

First	5,000	\$55.63	Minimum Bill	\$58.40	Minimum Bill
Next	5,000	9.66	per 1,000 gallons	10.14	per 1,000 gallons
Next	10,000	8.28	per 1,000 gallons	8.69	per 1,000 gallons
All Over	10,000	6.53	per 1,000 gallons	6.86	per 1,000 gallons

2-inch Meter:

First	20,000	\$145.33	Minimum Bill	\$152.55	Minimum Bill
Next	10,000	8.28	per 1,000 gallons	8.69	per 1,000 gallons
All Over	20,000	6.53	per 1,000 gallons	6.86	per 1,000 gallons
Bulk Sales		\$6.53	per 1,000 gallons	\$6.86	per 1,000 gallons
Wholesale		\$2.34	per 1,000 gallons	\$2.46	per 1,000 gallons

5/8 inch Meter:

			<u>Proposed Rates – Phase II</u>		<u>Proposed Rates – Phase III</u>
First	2,000	\$17.84	Minimum Bill	\$18.76	Minimum Bill
Next	3,000	10.14	per 1,000 gallons	10.65	per 1,000 gallons
Next	5,000	8.69	per 1,000 gallons	9.12	per 1,000 gallons
All Over	10,000	6.86	per 1,000 gallons	7.20	per 1,000 gallons

1-inch Meter:

First	5,000	\$58.40	Minimum Bill	\$61.33	Minimum Bill
Next	5,000	10.14	per 1,000 gallons	10.65	per 1,000 gallons
Next	10,000	8.69	per 1,000 gallons	9.12	per 1,000 gallons
All Over	10,000	6.86	per 1,000 gallons	7.20	per 1,000 gallons

2-inch Meter:

First	20,000	\$152.55	Minimum Bill	\$160.18	Minimum Bill
Next	10,000	8.69	per 1,000 gallons	9.12	per 1,000 gallons
All Over	20,000	6.86	per 1,000 gallons	7.20	per 1,000 gallons
Bulk Sales		\$6.86	per 1,000 gallons	\$7.20	per 1,000 gallons
Wholesale		\$2.46	per 1,000 gallons	\$2.58	per 1,000 gallons

IMPACT ON AVERAGE CUSTOMER BILL

Meter Size	Average	Existing	Phase I	Increase	
	Usage	Rates	Rates	Amount	%
5/8 x 3/4 Inch	5,000	\$52.40	\$55.63	\$3.23	6.16%
1 Inch	7,104	\$71.55	\$75.95	\$4.40	6.15%
2 Inch	94,228	\$601.20	\$638.32	\$37.12	6.17%

Meter Size	Average	Phase I	Phase II	Increase	
	Usage	Rates	Rates	Amount	%
5/8 x 3/4 Inch	5,000	\$55.63	\$58.40	\$2.77	4.98%
1 Inch	7,104	\$75.95	\$79.73	\$3.78	4.98%
2 Inch	94,228	\$638.32	\$670.44	\$32.12	5.03%

Meter Size	Average	Phase II	Phase III	Increase	
	Usage	Rates	Rates	Amount	%
5/8 x 3/4 Inch	5,000	\$58.40	\$61.33	\$2.93	5.02%
1 Inch	7,104	\$79.73	\$83.74	\$4.01	5.03%
2 Inch	94,228	\$670.44	\$703.74	\$33.30	4.97%

The rates contained in this notice are the rates proposed by the Crittenden-Livingston Water District; however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Notice is further given that any corporation, association, or person with a substantial interest in the matter may, by written request within thirty (30) days after the publication of this notice, request to intervene in the matter before the Public Service Commission. Intervention may be granted beyond the thirty (30) day period for good cause shown. The request should be submitted to the Public Service Commission at its address shown below. Any person who has been granted intervention by the Commission may obtain copies, free of charge, of the application and testimony by contacting Crittenden-Livingston Water District at the address below. Any person may examine the rate application and any other filings made by Crittenden-Livingston Water District at its offices or at the Public Service Commission at the addresses below.

Crittenden-Livingston Water District
620 East Main Street
Salem, Kentucky 42078

Telephone: 270-487-8131

Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602
Telephone: 502-564-3940

Persons may also view and download a copy of the rate application through the Public Service Commission's website at psc.ky.gov

NOTICE

Notice is hereby given that the Ledbetter Water District seeks approval by the Public Service Commission, Frankfort, Kentucky, for an adjustment of rates for water service in the total amount of \$5,419.84 on an annual basis, which is an increase of approximately 1.2 percent. Ledbetter Water District requests the increase because of an increase in the rate that it pays Crittenden-Livingston Water District for purchased water.

<u>ALL METER SIZES</u>	<u>CURRENT RATES</u>	<u>PROPOSED RATE</u>
Customer Charge	\$6.59 Monthly Rate	\$6.59 Monthly Rate
First 25,000 gallons	\$5.42 per 1,000 gallons	\$5.51 per 1,000 gallons
Over 25,000 gallons	\$3.59 per 1,000 gallons	\$3.68 per 1,000 gallons

COMPARISON OF RATES FOR ALL METER SIZES AT DIFFERENT USAGE LEVELS

<u>MONTHLY USAGE</u>	<u>MONTHLY BILL AT CURRENT RATE</u>	<u>MONTHLY BILL AT PROPOSED RATE</u>	<u>PERCENT INCREASE OVER CURRENT</u>
0	\$6.59	\$6.59	0%
1,000	\$12.01	\$12.10	0.75%
2,000	\$17.43	\$17.61	1.03 %
5,000	\$33.69	\$34.14	1.33%
10,000	\$60.79	\$61.69	1.48%
20,000	\$114.99	\$116.79	1.56%
30,000	\$160.04	\$162.74	1.68%
50,000	\$231.84	\$236.34	1.94%
75,000	\$321.59	\$328.34	2.09%
100,000	\$411.34	\$420.34	2.18%
200,000	\$770.34	\$788.34	2.33%
1,000,000	\$3,642.34	\$3,732.34	2.47%

Note: Average customer (5,000 gallons usage) bill will increase from \$33.69 to \$34.14 or 1.33%.

The rates in this notice are the rates proposed by the Ledbetter Water District; however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

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Public Service Commission
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