

BRUCE E. SMITH LAW OFFICES, PLLC  
201 SOUTH MAIN STREET  
NICHOLASVILLE, KENTUCKY 40356  
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RECEIVED

AUG 27 2014

PUBLIC SERVICE  
COMMISSION

BRUCE E. SMITH  
[bruce@smithlawoffice.net](mailto:bruce@smithlawoffice.net)

HENRY E. SMITH  
[henry@smithlawoffice.net](mailto:henry@smithlawoffice.net)

August 26, 2014

**VIA UPS OVERNIGHT**

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40601

*Case No. 2014-00301*

Re: Jessamine-South Elkhorn Water District ("District")  
807 KAR 5:075 Application

Dear Mr. Derouen:

Filed under cover of this letter is an original and ten (10) copies of the District's application under 807 KAR 5:075 for an adjustment of its sewer rates. Attached are the following documents:

- (1) Treated Sewage Adjustment Form 1
- (2) Revised tariff page
- (3) Schedule of current and proposed rates
- (4) Notice to be posted and later mailed to customers
- (5) LFUCG notice of increased rates
- (6) Resolution of District
- (7) Deviation request

Please advise if you need anything further to process this application.

Sincerely,

  
Bruce E. Smith

Enclosure(s)

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**RECEIVED**

**TREATED SEWAGE ADJUSTMENT  
FOR SEWER UTILITIES  
(807 KAR 5:075)**

AUG 27 2014

PUBLIC SERVICE  
COMMISSION

Name of Utility	Jessamine South Elkhorn Water District	
Date	August 14, 2014	
Address	208 S Main St	
City, State, Zip	Nicholasville	KY 40356
Telephone Number	859/881-0589	

1.a. Name of all providers and the base (current) rate and changed rate of each. In the event the utility is billed by the provider on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

Provider(s)	Base Rate	Changed Rate
LFUCG	4.56/100 CF	4.65/100 CF

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

2. Twelve-month period upon which the treated sewage adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	July 2013	through	June 2014
	(month and year)		(month and year)

<p>3. Statement of sewage treated. Where sewage treatment is from more than one provider, sewage treatment from each provider must be shown separately. When water purchases are the basis for sewage treatment charges and the water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach additional sheets if necessary.</p>	
Provider(s)	Gallons of Sewage Treated during 12 month period
LFUCG	43,963,434 gals 5,861,791 cf
TOTAL	43,963,434 gals 5,861,791 cf
<p>4. Total gallons of water sold for the 12 month period</p>	
	43,963,434 gals 5,861,791 cf
<p>5. Increased cost</p>	
	<b>5,275.61</b>
<p>The increased cost is the difference between the Gallons at the base (current rate) and at the new rate.</p>	
<p>When water usage is the basis for the utility's sewage treatment charge, the treated sewage adjustment shall be calculated as a per 1,000 gallon factor.</p>	
6. Treated sewage adjustment factor per 1,000 gallons*	.14/1000 gals .10/100 cf
<p>*The treated sewage adjustment factor is obtained by dividing the increased cost of the sewage treatment by the total gallons of water sold. (Number 5 ÷ ( Number 4 ÷ 1,000))</p>	

Note: The treated sewage adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the treated sewage adjustment factor would be added to the minimum bill twice.

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When the utility has a flat monthly rate the treated sewage adjustment factor shall be calculated as a flat monthly amount to be added to the current rate.

7. Number of customers or Residential Equivalents	
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8. Treated sewage adjustment (amount to be added to current monthly bill)**	
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\*\*The treated sewage adjustment factor is obtained by dividing the increased cost by the number of customers or residential equivalents and then by 12 months.  
 (Number 5 ÷ ( Number 7 ÷ 12)).

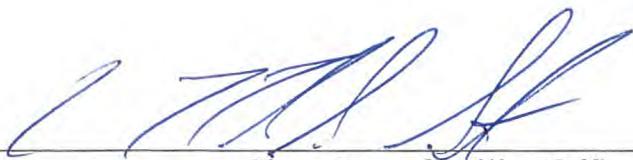
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9. Proposed schedule of rates must be attached showing the rate to be charged by the utility.

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10. Proposed effective date	September 1, 2014
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Signature of Utility Officer

Chairman	
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	Title
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FOR: North Jessamine County

PSC KY NO. 1

\_\_\_\_\_ SHEET NO. 1

Jessamine-South Elkhorn Water District

CANCELLING PSC KY NO. 1

\_\_\_\_\_ SHEET NO. 1

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**MONTHLY SEWER RATES**

I **SINGLE UNIT METER**

FIRST 2000 GALLONS  
ALL OVER 2000 GALLONS

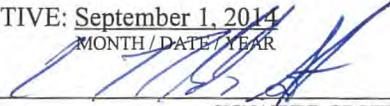
\$20.42 minimum bill  
\$10.21 per 1,000 gallons

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DATE OF ISSUE: August 27, 2014  
MONTH / DATE / YEAR

DATE EFFECTIVE: September 1, 2014  
MONTH / DATE / YEAR

ISSUED BY   
SIGNATURE OF OFFICER

TITLE: CHAIRMAN

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

## SCHEDULE OF CURRENT AND PROPOSED RATES

### **Current Sewer Rates:**

#### SINGLE UNIT METER

FIRST 2000 GALLONS	\$20.14 minimum bill
ALL OVER 2000 GALLONS	\$10.07 per 1,000 gallons

### **Proposed Sewer Rates:**

#### SINGLE UNIT METER

FIRST 2000 GALLONS	\$20.42 minimum bill
ALL OVER 2000 GALLONS	\$10.21 per 1,000 gallons

## NOTICE: CHANGE IN SEWER RATES

The effective date of the increase is September 1, 2014.

The present rates are:

### SINGLE UNIT METER

FIRST 2000 GALLONS	\$20.14 minimum bill
ALL OVER 2000 GALLONS	\$10.07 per 1,000 gallons

The proposed rates are:

### SINGLE UNIT METER

FIRST 2000 GALLONS	\$20.42 minimum bill
ALL OVER 2000 GALLONS	\$10.21 per 1,000 gallons

The amount of the change is 14 cents per 1,000 gallons or a percentage change of 1.39026%.

The amount of the average usage is 7380 gallons and the effect on the average bill is an increase of \$1.03.

The application for the change in sewer rates may be examined at the offices of the Jessamine-South Elkhorn Water District located at 802 South Main Street, Nicholasville, KY.

The Application may also be examined at the offices of the Kentucky Public Service Commission located at 211 Sower Boulevard, Frankfort, KY, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Commission's website at <http://psc.ky.gov>.



Lexington-Fayette Urban County Government  
DEPARTMENT OF ENVIRONMENTAL QUALITY & PUBLIC WORKS

Jim Gray  
Mayor

Charles H. Martin, P.E.  
Commissioner

May 21, 2014

Diana Clark, Office Manager  
Jessamine-South Elkhorn Water District  
802 South Main Street  
Nicholasville, KY 40356

RE: Sewer Rate Increase Request  
LFUCG/JSEWD North Jessamine Sewer Service Area

Dear Ms. Clark:

Please find enclosed a copy of the Notice and Tariff sheet for Lexington-Fayette Urban County Government's (LFUCG) requested sanitary sewer rate increase to the monthly sewer user fee applied to Jessamine-South Elkhorn Water District (JSEWD) customers receiving service from LFUCG. In accordance with paragraph 14 of the Master Service Agreement between LFUCG and JSEWD, the requested rates are identical to those applied to LFUCG customers.

If you have any questions, please contact me at (859) 258-3400.

Sincerely,

Charles H. Martin, P.E.  
[chmartin@lexingtonky.gov](mailto:chmartin@lexingtonky.gov)  
Acting Commissioner – Department of Environmental Quality & Public Works  
Director – Division of Water Quality

## NOTICE

Lexington Fayette Urban County Government ("LFUCG") is providing notice that it has filed documents with the Public Service Commission to increase the sewage treatment fee it charges Jessamine-South Elkhorn Water District effective for sewage treated on and after July 1, 2014. The proposed rate is as follows:

	<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change</u>	<u>% Change</u>
Jessamine-South Elkhorn Water District	\$4.56 per 100 cubic feet	\$4.65 per 100 cubic feet	\$0.09 Increase	2% Increase

Sewage treated before the effective date will be charged at the current rate while sewage treated on and after the effective date will be charged at the new rate.

In accordance with Public Service Commission procedures, the effective date of the new rate cannot be prior to the expiration of a 30-day notice given to both the Commission and Jessamine-South Elkhorn Water District

This filing may be examined at the offices of LFUCG located at 125 Lisle Industrial Avenue, Suite 180 in Lexington, Kentucky.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday – Friday from 8:00 am – 4:30 pm or on the PSC website at <http://psc.ky.gov>.

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort KY 40602; or through its website at <http://psc.ky.gov>.

The new rate is the rate proposed by LFUCG in its filing but the Public Service Commission may order a rate that differs from the proposed rate.

Intervention may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602. The request for intervention must establish the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filed application.

FOR Jessamine-South Elkhorn Water District  
Area Served

P.S.C. KY. NO. 1

1<sup>st</sup> Revised SHEET NO. 1

CANCELLING P.S.C. KY. NO. 1

Original SHEET NO. 1

Lexington Fayette Urban County Government  
(Name of Municipal Utility)

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RATES AND CHARGES

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Monthly Sewer User Fee

Jessamine-South Elkhorn Water District

\$4.65 per 100 cubic feet

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DATE OF ISSUE May 21, 2014  
Month / Date / Year

DATE EFFECTIVE July 1, 2014  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE Chief Administrative Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. n/a DATED n/a

RESOLUTION – AUGUST 13, 2014

DUE TO AN INCREASE BY LFUCG, A MOTION TO APPROVE A PASS-THROUGH SEWER RATE INCREASE OF

\$0.14 / 1000 GALS WITH AN EFFECTIVE DATE OF AUGUST 1, 2014 WAS MADE BY

Thomas Beall, SECONDED BY George Dale Robinson

APPROVED.



A handwritten signature in blue ink, appearing to read 'T. Beall', written over a horizontal line.

CHAIRMAN

ATTEST 

The word 'ATTEST' is printed in a small, bold font to the left of a horizontal line. A handwritten signature in blue ink is written over the line.

JESSAMINE-SOUTH ELKHORN  
WATER DISTRICT

August 14, 2014

Public Service Commission

211 Sower Blvd

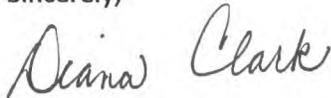
Frankfort, KY 40601

Dear Sir/Madam:

Jessamine South Elkhorn Water District is requesting a deviation (807 KAR 5:075, Section 8) in submitting a Treated Sewage Adjustment. As of our last billing we had 2846 water customers with 61 of those having sewer usage; 568 sewer customers which we do not have as water customers. We are requesting to use the utility's total water sales to sewer customers as the factor instead of the total utility water sales (807 KAR 5:075, Section 3).

Thank you for your attention to this matter.

Sincerely,



Diana Clark

Office Manager