

Garrard County Water Association, Inc

P.O. BOX 670 315 LEXINGTON ROAD

LANCASTER, KY 40444-0670

(859) 792-4501 TTY: 800-648-6056

FAX: (859) 792-1671

Case No. 2015-00148

May 11, 2015

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

RECEIVED
MAY 13 2015
PUBLIC SERVICE
COMMISSION

Dear Mr. Derouen:

Please find enclosed the Association's request for a purchased water rate adjustment. This adjustment request is due to the increased cost of wholesale water from the City of Danville that took effect per an order from the Commission dated May 5, 2015 and of record as Case No. 2014-00392. Exhibit "A" is attached to the application showing this agreed to rate increase.

Also, enclosed is a revised tariff sheet reflecting the twenty cent per thousand gallons adjustment.

The Association will notify its customers of the rate adjustment before rendering the first customer statement reflecting the increase and will also provide notification upon rendering of this statement.

If additional information should be required, please advise.

Sincerely,



Sean Smith
General Manager

Enclosures

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

RECEIVED
MAY 13 2015
PUBLIC SERVICE
COMMISSION

THE GARRARD COUNTY WATER ASSOCIATION, INC.
(Name of Utility)

May 11, 2015
(Date)

P.O. BOX 670
(Address)

LANCASTER, KY 40444-0670
(City, State)

859-792-4501
(Telephone Number)

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.

<u>Supplier(s)</u>	<u>Base Rate</u>	<u>Changed Rate</u>
<u>CITY OF LANCASTER</u>	<u>\$2.12</u>	<u>\$2.12</u>
<u>CITY OF DANVILLE</u>	<u>SEE ATTACHED EXHIBIT A</u>	<u>\$2.41</u>
<u>CITY OF BEREA</u>	<u>\$2.50</u>	<u>\$2.50</u>

5. Increased water cost \$60,802.60.

The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.

6. Purchased water adjustment factor \$.20.

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. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.

7. Proposed effective date May 7, 2015.

J. Smith
(Signature of Utility Officer)

General Manager
(Title)

EXHIBIT A

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE) CASE NO.
WATER SERVICE RATES OF CITY OF DANVILLE) 2014-00392

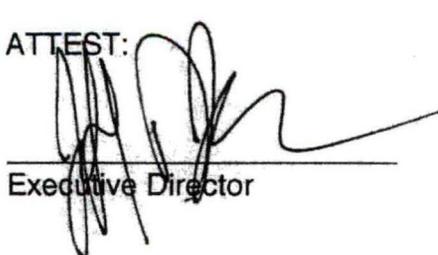
ORDER

On April 27, 2015, the city of Danville ("Danville") gave notice that it intended to place its proposed wholesale water rates into effect on May 1, 2015. This notice was made pursuant to KRS 278.190(2). The Commission finds that it is unable to complete its investigation of the proposed wholesale water rates within the suspension period and that Danville has complied with the statutory provisions to place the proposed rates into effect subject to change and refund, for service rendered on and after May 1, 2015.

IT IS THEREFORE ORDERED that:

1. Within 15 days of the date of this Order, Danville shall file its tariff setting forth the rates it is placing in effect and designating those rates as being subject to change and refund.
2. Danville shall maintain its records in such manner as will allow it, the Commission, or any customer to determine the amounts to be refunded and to whom in the event a refund is ordered upon final resolution of this matter.

ATTEST:



Executive Director

By the Commission

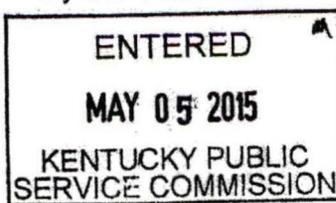


EXHIBIT A cont.

First	20,000 cu ft	\$1.68
Next	80,000 cu ft	\$1.44
Next	100,000 cu ft	\$1.20
Next	300,000 cu ft	\$1.06
All over	500,000 cu ft	\$0.86

6. In addition to the foregoing schedule of rates, the Purchaser shall further pay to Seller a surcharge of twenty percent (20%) to be added to the total water bill (not including any applicable taxes or fees).

HOWEVER, the parties understand and agree that if at any time during the term of this agreement the rate charged to other wholesale consumers, including other municipalities, independent water districts, or privately owned water companies, are modified, either increased or decreased, the rate of charge to the Purchaser shall automatically be modified to confirm to such rates; similarly, it is agreed and understood that in the event the amount of the surcharge which is charged to all wholesale customers outside the city limits of Seller, is modified, then the rate of surcharge unto Purchaser shall automatically be modified to conform with such surcharge rate. It is understood and agreed by the parties that modification of the water purchase rate and the surcharge thereon shall be at the discretion of the Seller, City of Danville. The City of Danville shall be required to give a written five (5) month advance notice of any rate increase and comply with any applicable Public Service Commission rulings.

7. The Purchaser shall not consume more than the monthly limit without written permission from the Seller except in the case

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EXHIBIT B

Per a recent Order from the Public Service Commission dated May 5, 2015 and in reference to Case No. 2014-00392 the Board of Directors of the Garrard County Water Association met on May 7, 2015 and approved proceeding with the Commission's order.


Executive Director

5-7-15
Date

EXHIBIT C

WATER PURCHASED BY THE GARRARD COUNTY WATER ASSOCIATION
FROM THE CITY OF DANVILLE

<u>MONTH</u>		<u>AMOUNT</u>
May	2014	8,899,854 GALLONS
June	2014	8,283,277 GALLONS
July	2014	8,520,543 GALLONS
August	2014	6,698,639 GALLONS
September	2014	6,653,011 GALLONS
October	2014	6,373,409 GALLONS
November	2014	7,164,494 GALLONS
December	2014	7,161,277 GALLONS
January	2015	5,509,918 GALLONS
February	2015	5,673,954 GALLONS
March	2015	6,006,889 GALLONS
April	2015	5,792,961 GALLONS
GALLONS		
	TOTAL GALLONS	82,738,226 GALLONS

AREA _____

PSC KY NO. _____

18th Revised SHEET NO. _____

CANCELLING PSC KY NO. _____

17th Revised SHEET NO. _____

GARRARD COUNTY WATER ASSOCIATION, INC.
(NAME OF UTILITY)

RATE PER UNIT

RESIDENTIAL, FARM AND SMALL COMMERCIAL

5/8" x 3/4" Meter Schedule

First	1,000 Gallons	10.53 (Minimum Bill)
Next	1,000 Gallons	5.63 per 1,000 Gallons
Next	1,000 Gallons	4.53 per 1,000 Gallons
Next	2,000 Gallons	4.33 per 1,000 Gallons
All Over	5,000 Gallons	4.03 per 1,000 Gallons

LARGE COMMERCIAL, DAIRY FARM AND SCHOOL CONNECTIONS

1" Meter Schedule

First	5,000 Gallons	29.35 (Minimum Bill)
All Over	5,000 Gallons	4.03 per 1,000 Gallons

1 1/2" Meter Schedule

First	10,000 Gallons	49.50 (Minimum Bill)
All Over	10,000 Gallons	4.03 per 1,000 Gallons

2" Meter Schedule

First	25,000 Gallons	109.95 (Minimum Bill)
All Over	25,000 Gallons	4.03 per 1,000 Gallons

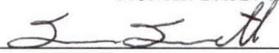
Bulk Sales

\$5.25 per 1,000 Gallons

Rates based on monthly consumption.
Penalty of 10% applied to all unpaid bills 10 days from date of bill.

DATE OF ISSUE _____
MONTH / DATE / YEAR

DATE EFFECTIVE 05/07/15
MONTH / DATE / YEAR

ISSUED BY 
SIGNATURE OF OFFICER

TITLE General Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2014-00392 DATED 05/05/15