

Rubin & Hays

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CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT

November 18, 2015

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NOV 20 2015

PUBLIC SERVICE
COMMISSION

Mr. Jeff DeRouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Lyon County Water District **PSC Case No. 2015-00376**

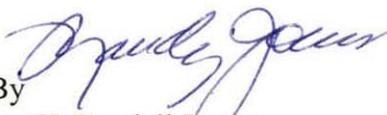
Dear Mr. DeRouen:

Pursuant to 807 KAR 5:069, Section 3(3)(b), enclosed please find the Affidavit of Publication and Tearsheet relating to the Notice of Proposed Rate Change of the Lyon County Water District.

If you need any additional information or documentation, please let us know.

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:jl
Enclosures

HERALD LEDGER

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PUBLIC SERVICE
COMMISSION

143 Main Street · P. O. Box 747

Eddyville, KY 42038

(270) 388-2269

Fax: (270) 388-5540

AFFIDAVIT OF PUBLICATION

Advertiser Lyon Co. Water District

Newspaper Company: The Lyon County Herald Ledger, State of Kentucky, County of Lyon.

Sue Huntman personally appeared before me, who being sworn, deposes and says: That he/she is an authorized agent the above named newspaper company, a Kentucky Corporation, doing business in said county under the trade name listed above, a newspaper published in said county; That he/she is authorized to make such affidavits of publication on behalf of said publisher corporation. The said newspaper is of general circulation in the said county and in the area adjacent thereto; That he/she has reviewed the regular editions of said newspapers published on (list dates)

11/11/15

and finds that the attached advertisement appeared in each of said editions.

Sworn to and subscribed before me this 12 day of Nov., 2015

Notary Public

Susan Doorn 510279

Lyon County, Kentucky

My commission expires:

4.28.18

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PUBLIC SERVICE COMMISSION

NOTICE OF PROPOSED RATE CHANGE

In accordance with the requirements of the Kentucky Public Service Commission ("PSC") as set out in 807 KAR 5:069, Section 3, notice is hereby given to the customers of the Lyon County Water District ("District") of a change in water rates for users of the District's water system. The changes in water rates are required by the U.S. Department of Agriculture, acting through Rural Development ("RD") in connection with a loan by RD to the District in the principal amount of \$1,900,000 to be evidenced by the issuance by the District of its waterworks revenue bonds in such amount, which RD has agreed to purchase provided the District meets certain conditions of RD, including revising the water rates as set forth below:

Current Monthly Rates

<u>5/8 x 3/4 inch Meter</u>		<u>Monthly Rate</u>
First	2,000 gallons	\$20.02 Minimum Bill
Next	3,000 gallons	8.50 per 1,000 gallons
Next	5,000 gallons	6.47 per 1,000 gallons
Next	10,000 gallons	4.44 per 1,000 gallons
Over	20,000 gallons	3.94 per 1,000 gallons

<u>1 inch Meter</u>		<u>Monthly Rate</u>
First	15,000 gallons	\$82.19 Minimum Bill
Next	5,000 gallons	3.71 per 1,000 gallons
Over	20,000 gallons	3.31 per 1,000 gallons

<u>1-1/2 inch Meter</u>		<u>Monthly Rate</u>
First	25,000 gallons	\$117.25 Minimum Bill
Over	25,000 gallons	3.31 per 1,000 gallons

<u>2 inch Meter</u>		<u>Monthly Rate</u>
First	45,000 gallons	\$183.60 Minimum Bill
Over	45,000 gallons	3.31 per 1,000 gallons

Proposed Monthly Water Rates

<u>5/8 x 3/4 inch Meter</u>		<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>% Change</u>
First	2,000 gallons	\$25.00 Minimum Bill	\$4.98	25%
Next	3,000 gallons	10.62 per 1,000 gallons	2.12	20
Next	5,000 gallons	7.50 per 1,000 gallons	1.03	16
Next	10,000 gallons	6.25 per 1,000 gallons	1.81	41
Over	20,000 gallons	5.50 per 1,000 gallons	1.56	40

<u>1 inch Meter</u>		<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>% Change</u>
First	15,000 gallons	\$116.25 Minimum Bill	\$34.06	41%
Next	5,000 gallons	6.25 per 1,000 gallons	2.54	68
Over	20,000 gallons	5.50 per 1,000 gallons	2.19	66

<u>1-1/2 inch Meter</u>		<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>% Change</u>
First	25,000 gallons	\$156.25 Minimum Bill	\$39.00	33%
Over	25,000 gallons	5.50 per 1,000 gallons	2.19	66

<u>2 inch Meter</u>		<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>% Change</u>
First	45,000 gallons	\$281.25 Minimum Bill	\$97.65	53%
Over	45,000 gallons	5.50 per 1,000 gallons	2.19	66

The proposed monthly water rates shall be effective for water sold after the date of the final approving Order of the PSC, which Order is expected to be issued no later than 30 days of the filing of the Application. The amount of average usage for all customers in the calendar year 2014 was 2,900 gallons per month thus generating an average monthly billing based on current rates of \$27.67. The proposed monthly rates will increase the average monthly billing to \$34.56 for an impact of \$6.89 or 25.00%. The Application for approval of the rate change has been filed with the PSC and may be examined during normal business hours at the following locations: (i) Lyon County Water District Office, 5464 US-62, Kuttawa, KY 42055; (ii) PSC, 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., E.T.; and (iii) via the PSC website at <http://psc.ky.gov>. Comments regarding the Application may be submitted to the PSC via its website or by mail to PSC, P.O. Box 615, Frankfort, Kentucky 40602.

The proposed rates are required under the terms of an agreement between the District and RD and KRS 278.023 does not grant the PSC any discretionary authority to modify or reject any portion of the agreement between the District and RD, or to defer the issuance of all necessary orders to implement the terms of the agreement. The RD loan proceeds will be used in conjunction with a \$650,000 RD grant and a \$2,000,000 KIA DWSRF Loan to finance the cost of the (i) installation of approximately 43,000 linear feet of water transmission main and associated appurtenances and (ii) acquisition of approximately 2,000 radio read meters including equipment and software.

Signed: Donald Robertson, Chairman, Lyon County Water District.