

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 07 2016

PUBLIC SERVICE
COMMISSION

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

November 7, 2016

Case No. 2016-00388

Mr. Derouen:

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

Included is a copy of the Purchased Water Adjustment form, computation of the rate change, notice from our supplier, our current and proposed rates and a copy of the minutes of the Board of Commissioners approving the increase to be passed on to our customers.

Respectfully,



Clifford Toles, Chairman

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

NOV 07 2016

PUBLIC SERVICE
COMMISSION

Name of Utility	Farmdale Water District		
Date	11-7-2016		
Address	100 Highwood Drive		
City, State, Zip	Frankfort, KY 40601		
Telephone Number	502-223-3562		
Email Address	farmdalewater@gmail.com		
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	2.35	2.45	
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, 2015	through	August, 2016
	(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	239,368
TOTAL PURCHASES	239,368
4. Total gallons sold for the 12 month period	151,993
5. Increased water cost	23,936.80
<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	.16
<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, 2016
<div style="text-align: center;">  </div>	
<div style="text-align: center;"> <p>Signature of Utility Officer</p> <p>Chairman</p> </div>	

Farmdale Water District

	New Rate	Base Rate
Gallons Purchased	239,368	239,368
Volumetric Rate	2.45/1,000	2.35/1,000
KRA Fee	.20	.20
	\$634,325.20	\$610,388.40
Increased Cost:	\$23,936.80	
Divided by gallons sold:	151,993	
Purchased water adjustment factor:	.16	

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.

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November 4, 2016

Farmdale Water District Board Meeting

In attendance: Clifford Toles, Yvonne Hill, Craig Blanton, Jan Sanders, and David Robinson.

Our purchased water rate will increase to 2.45 per 1,000 gallons per the Frankfort Plant Boards scheduled increase, effective for water used on or after Nov 1, 2016. This increase reflects the third of four years of pass through rate increases from the Frankfort Plant Board. The Motion was made to pass on the increase to our customers. Seconded and passed.

David Robinson found and repaired eight water line leaks in September and five more in October.

We need to contact Tony Palerie to start our water line upgrade to section off the water system to make it easier to isolate water leaks. Clifford called and left a voice mail.

Public Service commission training is December 7, 2016.

Motion made to move forward with GIS Mapping our entire water system and the various infrastructure. The selected company is Vanguard Mapping Solutions LLC. First year cost is \$3,500. David Robinson has the invoice.

Adjourned

Proposed New Rates

5/8" x 3/4" Meter

First 2,000 gallons
Next 3,000 gallons
Next 5,000 gallons
Over 10,000 gallons

\$17.58 Minimum Bill
5.79 per 1,000 gallons
5.33 per 1,000 gallons
4.85 per 1,000 gallons

1" Meter

First 5,000 gallons
Next 5,000 gallons
Next 140,000 gallons
Over 150,000 gallons

\$34.95 Minimum Bill
5.79 per 1,000 gallons
5.33 per 1,000 gallons
4.85 per 1,000 gallons

4" Meter

First 50,000 gallons
Next 50,000 gallons
Next 50,000 gallons
Over 150,000 gallons

\$255.60 Minimum Bill
5.79 per 1,000 gallons
5.33 per 1,000 gallons
4.85 per 1,000 gallons

FOR Entire Area Served
Community, Town or City

P.S.C. KY. NO. _____

2nd Revised SHEET NO. 6

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

1st Revised SHEET NO. 6

Farmdale Water District
(Name of Utility)

RATES & CHARGES

A. GENERAL SERVICE MONTHLY RATES

5/8" x 3/4" Meter

First	2,000 gallons	\$17.26 Minimum Bill	(I) ↓
Next	3,000 gallons	5.63 per 1,000 gallons	
Next	5,000 gallons	5.17 per 1,000 gallons	
Over	10,000 gallons	4.69 per 1,000 gallons	

1" Meter

First	5,000 gallons	\$34.15 Minimum Bill
Next	5,000 gallons	5.63 per 1,000 gallons
Next	140,000 gallons	5.17 per 1,000 gallons
Over	150,000 gallons	4.69 per 1,000 gallons

4" Meter

First	50,000 gallons	\$247.60 Minimum Bill
Next	50,000 gallons	5.63 per 1,000 gallons
Next	50,000 gallons	5.17 per 1,000 gallons
Over	150,000 gallons	4.69 per 1,000 gallons

DATE OF ISSUE December 15, 2015
Month Date Year

DATE EFFECTIVE November 1, 2015
Month Date Year

ISSUED BY *Clifford Johns*
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2015-00375 DATED December 7 & 15, 2015

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 11/1/2015
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)