

**REID VILLAGE WATER DISTRICT  
950 WINCHESTER RD  
P O BOX 610  
MT STERLING KY 40353  
PHONE 859-498-0062  
FAX 859-497-9984**

**RECEIVED**

**July 7, 2017**

**JUL 14 2017**

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

Public Service  
Commission

RE: Formal Application for a Purchased Water Adjustment

This is an application for a purchased water rate adjustment for the Reid Village Water District. The adjustment is necessary to recover an increase in the cost of water attributable to our supplier's new wholesale rates that will become effective August 1, 2017.

Sincerely,



Rachel Cartmill  
Office Manager

Enclosure

RECEIVED

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

JUL 14 2017

Public Service  
Commission

Name of Utility	Reid Village Water District	
Date	July 7, 2017	
Address	950 Winchester Rd	
City, State, Zip	Mt. Sterling	KY 40353
Telephone Number	859-498-0062	

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.

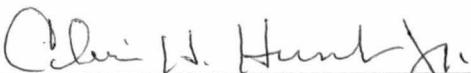
Supplier(s)	Base Rate	Changed Rate
Mt. Sterling Water	2.96	3.02

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

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	June 2016	through	May 2017
	(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
Mt. Sterling Water & Sewer	76,655,220
<b>TOTAL PURCHASES</b>	76,655,220
4. Total sales for the 12 month period	56,821,977
5. Increased water cost	4599.31
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	.08 per 1000 gallons
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p><b>Note:</b> 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	August 1, 2017
	
Signature of Utility Officer	
Chairman of the Board	
Title	

MT. STERLING WATER & SEWER SYSTEM

POST OFFICE BOX 392 - 300 EAST MAIN STREET  
MOUNT STERLING, KENTUCKY 40353-0392

Ex. A

June 23, 2017

Rachael Cartmill  
Reid Village Water District  
P.O. 610  
Mt. Sterling, Kentucky 40353

Re: Wholesale Rate Increase

Racahel,

The purpose of this letter is to advise you that our utility, Mt. Sterling Water and Sewer (Mt. Sterling) has requested approval from the Kentucky Public Service Commission (PSC) to increase wholesale water rates charged to water districts/associations, served by our utility. This proposed increase is based on a Rate/Cost of Service study conducted by Norbourne and Associates, a Louisville based firm that specializes in rate analysis. The results of this study have indicated that the current wholesale rate of \$2.96 per 1,000 gallons is less than what it costs our utility to produce this amount. In an effort to recover these costs, our water and sewer board of commissioners voted to increase water rates by a factor of 2% at their regular monthly meeting held June 19, 2017.

Our utility has petitioned the Public Service Commission (PSC), to allow this increase be passed along to our wholesale customers. A rate modification request has been filed, which includes a tariff sheet asking to increase our current wholesale water rate of \$2.96/1,000 gallons, up to \$3.02. We have requested that this increase be effective August 1, 2017, should this increase be approved it will be reflected in the September billing. This notice is being provided in order to comply with a PSC statute that requires effected wholesale customers to receive notice of any proposed rate increase a minimum of 30 days prior to the implementation of said increase. Included, please find a copy of the tariff sheet, notification of proposed increase with required PSC language, along with a copy of our Rate Analysis and Cost of Service Studies.

In closing, thank you for both your understanding and cooperation regarding this matter. Should you have questions, comments or concerns regarding this notice, please feel free to contact me at (859) 498-0166. Thanks.

Sincerely,



Rick Fletcher  
Manager  
Mt. Sterling Water and Sewer

REID VILLAGE WATER DISTRICT  
950 WINCHESTER RD  
P O BOX 610  
MT STERLING KY 40353  
859-498-0062

DATE: July 11, 2017      TIME: 5:00      Location: 950 Winchester Road

Those Present: Calvin Hunt , Jim Costigan, Rachel Cartmill,

Guests: None

Rachel presented a copy of the following to the Board Members for review and approval.

1. Minutes from the last meeting dated April 11, 2017
2. Profit and Loss report for the quarter ending June 30, 2017.
3. Check registers for all accounts for the last quarter including Certificate of Deposit.

Jim made the motion to approve the minutes of last meeting, Calvin agreed.

Jim made the motion to approve the check registers and Calvin agreed.

Profit and Loss was reviewed by both with no questions.

Rachel reported that a rate increase letter from Mt. Sterling Water & Sewer was received and ask for a motion to approve a pass thru rate increase to absorb the expense. Calvin made the motion to do a pass thru increase and Jim 2<sup>nd</sup> the motion. Rachel quoted the increase to amount to .08 per 1000 gallons and she will send in the application to Public Service Commission.

Nothing further.

Motion to adjourn made by Jim, 2<sup>nd</sup> by Calvin.

Meeting adjourned at 5:45

FOR REID VILLAGE AREA

PSC KY NO. \_\_\_\_\_

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

CANCELLING PSC KY NO. \_\_\_\_\_

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

REID VILLAGE WATER DISTRICT  
(NAME OF UTILITY)

### Monthly Water Rates

	<i>Current</i>		<i>Proposed</i>
First 2000 gallons	<i>.08 + .08 + 25.37</i>	Minimum Bill	= <i>25.53</i>
Next 1000 gallons	<i>.08 + 8.49</i>	per 1000 gallons	= <i>8.57</i>
Next 2000 gallons	<i>.08 + 7.90</i>	per 1000 gallons	= <i>7.98</i>
Next 5000 gallons	<i>.08 + 7.29</i>	per 1000 gallons	= <i>7.37</i>
Over 10000 gallons	<i>.08 + 6.67</i>	per 1000 gallons	= <i>6.75</i>

### Non-Recurring Charges

Connect Fee	\$27.00
Deposit	\$81.00
Re-connection Charge	\$35.00
Tap On Fee	\$650.00

DATE OF ISSUE Aug. 1, 2017  
~~July 1, 2016~~  
MONTH DATE YEAR

DATE EFFECTIVE Aug 1, 2017  
~~July 1, 2016~~  
MONTH DATE YEAR

ISSUED BY \_\_\_\_\_  
SIGNAT \_\_\_\_\_

TITLE CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

<b>KENTUCKY</b> PUBLIC SERVICE COMMISSION
<b>Talina R. Mathews</b> EXECUTIVE DIRECTOR <i>Talina R. Mathews</i>
EFFECTIVE <b>7/1/2016</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

# Reid Village Water District Worksheet

## Consumption Totals

June 2016	5938705
July 2016	4955628
Aug 2016	4786086
Sept 2016	5233377
Oct 2016	5226718
Nov 2016	4906847
Dec 2016	4056366
Jan 2017	4675352
Feb 2017	4021459
March 2017	3652775
April 2017	4237715
May 2017	5130949
	<u>56,821,977</u>
	$\div 1000$ gallons
	= 56,821.98

gallons purchased from MSW+S  $76,655,220 \div 1000 = 76,655.22$

$76,655.22 \times$  purchased at base (Current 2.96) = 226899.46

$76,655.22 \times$  purchased at base (New Rate 3.02) = 231498.77  
(difference) = 4599.31

$$4599.31 \div 56821.98 = .08$$

per 1000 gallons = water adj. factor

Gallons purchased

### Customer History Report

Service Type All  
 AR Code All  
 Beginning Date 05/01/2016  
 Ending Date 06/01/2017

Use Reading Factor   
 Start Balance With Zero   
 Print Breakdown By  Transaction  Service  Taxes  Totals Only  
 Print Transaction in Descending Order

History For Account 0019-00200-001 Water, Reid Village

Tran Date	Post Date	Code	Description	Service Desc	Service Usage	Service Local Tax	Surcharge1 State Tax	Surcharge2 Penalty	Unapplied	Balance
05/09/16	05/09/16	WTR	Water Billing	WATER	02	\$14,926.22	\$0.00	\$0.00	\$0.00	\$14,926.22
	lisam				5,237,270	\$0.00	\$0.00	\$0.00	\$0.00	
05/19/16	05/19/16	PAY	Payment	WATER	02	(\$14,926.22)	\$0.00	\$0.00	\$0.00	\$0.00
	<input type="checkbox"/> Sabrina				0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/09/16	08/09/16	WTR	Water Billing	WATER	02	\$18,361.21	\$0.00	\$0.00	\$0.00	\$18,361.21
	lisam				6,442,530	\$0.00	\$0.00	\$0.00	\$0.00	
										6442530
08/20/16	08/20/16	PAY	Payment	WATER	02	(\$18,361.21)	\$0.00	\$0.00	\$0.00	\$0.00
	<input type="checkbox"/> Jennifer				0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/07/16	07/07/16	WTR	Water Billing	WATER	02	\$18,562.68	\$0.00	\$0.00	\$0.00	\$18,562.68
	lisam				6,513,220	\$0.00	\$0.00	\$0.00	\$0.00	
										6513220
07/20/16	07/20/16	PAY	Payment	WATER	02	(\$18,562.68)	\$0.00	\$0.00	\$0.00	\$0.00
	<input type="checkbox"/> Jennifer				0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/09/16	08/09/16	WTR	Water Billing	WATER	02	\$20,522.78	\$0.00	\$0.00	\$0.00	\$20,522.78
	lisam				6,933,370	\$0.00	\$0.00	\$0.00	\$0.00	
										6933370
08/19/16	08/19/16	PAY	Payment	WATER	02	(\$20,522.78)	\$0.00	\$0.00	\$0.00	\$0.00
	<input type="checkbox"/> Jennifer				0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/08/16	09/08/16	WTR	Water Billing	WATER	02	\$20,709.64	\$0.00	\$0.00	\$0.00	\$20,709.64
	lisam				6,996,600	\$0.00	\$0.00	\$0.00	\$0.00	
										6996600
09/19/16	09/19/16	PAY	Payment	WATER	02	(\$20,709.64)	\$0.00	\$0.00	\$0.00	\$0.00
	<input type="checkbox"/> Jennifer				0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10/08/16	10/08/16	WTR	Water Billing	WATER	02	\$20,455.05	\$0.00	\$0.00	\$0.00	\$20,455.05
	lisam				6,910,490	\$0.00	\$0.00	\$0.00	\$0.00	
										6910490
10/19/16	10/19/16	PAY	Payment	WATER	02	(\$20,455.05)	\$0.00	\$0.00	\$0.00	\$0.00
	<input type="checkbox"/> Jennifer				0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11/07/16	11/07/16	WTR	Water Billing	WATER	02	\$21,555.79	\$0.00	\$0.00	\$0.00	\$21,555.79
	lisam				7,282,360	\$0.00	\$0.00	\$0.00	\$0.00	
										7282360
11/18/16	11/18/16	PAY	Payment	WATER	02	(\$21,555.79)	\$0.00	\$0.00	\$0.00	\$0.00
	<input type="checkbox"/> lisam				0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12/08/16	12/08/16	WTR	Water Billing	WATER	02	\$19,915.38	\$0.00	\$0.00	\$0.00	\$19,915.38
	lisam				6,728,170	\$0.00	\$0.00	\$0.00	\$0.00	
										6728170
12/19/16	12/19/16	PAY	Payment	WATER	02	(\$19,915.38)	\$0.00	\$0.00	\$0.00	\$0.00
	<input type="checkbox"/> Jennifer				0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
01/08/17	01/08/17	WTR	Water Billing	WATER	02	\$16,411.60	\$0.00	\$0.00	\$0.00	\$16,411.60
	lisam				5,544,460	\$0.00	\$0.00	\$0.00	\$0.00	
										5544460
01/19/17	01/19/17	PAY	Payment	WATER	02	(\$16,411.60)	\$0.00	\$0.00	\$0.00	\$0.00
	<input type="checkbox"/> Jennifer				0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
02/09/17	02/09/17	WTR	Water Billing	WATER	02	\$18,410.82	\$0.00	\$0.00	\$0.00	\$18,410.82
	lisam				6,219,870	\$0.00	\$0.00	\$0.00	\$0.00	
										6219870

History For Account 0019-00200-001 Water, Reid Village

Tran	Date	Post Date	Code	Description	Service Desc	Service Usage	Local Tax	Surcharge1 State Tax	Surcharge2 Penalty	Unapplied	Balance	
02/17/17	02/17/17		PAY	Payment	WATER	02	(\$18,410.82)	\$0.00	\$0.00			
			<input type="checkbox"/>	jennifer		0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
03/09/17	03/09/17		WTR	Water Billing	WATER	02	\$15,180.94	\$0.00	\$0.00			
				lisam		5,121,940	\$0.00	\$0.00	\$0.00	\$0.00	\$15,180.94	
				5121940								
03/20/17	03/20/17		PAY	Payment	WATER	02	(\$15,180.94)	\$0.00	\$0.00			
			<input type="checkbox"/>	jennifer		0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
04/06/17	04/06/17		WTR	Water Billing	WATER	02	\$18,937.59	\$0.00	\$0.00			
				lisam		6,722,180	\$0.00	\$0.00	\$0.00	\$0.00	\$18,937.59	
				5722180								
04/20/17	04/20/17		PAY	Payment	WATER	02	(\$18,937.59)	\$0.00	\$0.00			
			<input type="checkbox"/>	jennifer		0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
05/05/17	05/09/17		WTR	Water Billing	WATER	02	\$18,470.84	\$0.00	\$0.00			
				lisam		6,240,150	\$0.00	\$0.00	\$0.00	\$0.00	\$18,470.84	
				6,240,150								
05/19/17	05/19/17		PAY	Payment	WATER	02	(\$18,470.84)	\$0.00	\$0.00			
			<input type="checkbox"/>	jennifer		0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
<b>Total For Selection</b>							\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
<b>Ending Balance</b>							\$19,882.91	\$0.00	\$0.00	\$0.00	\$0.00	\$19,882.91

Total 76,655.220

012