

Lyon County Water District

P.O. Box 489 Kuttawa, Kentucky 42055

270-388-0271

August 20, 2004

Case 2004-00361

Executive Director
KY Public Service Commission
PO Box 615
Frankfort, KY 40602

RECEIVED

SEP 10 2004

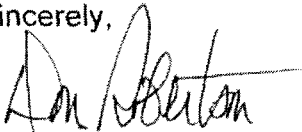
PUBLIC SERVICE COMMISSION

RE: Formal Application for a Purchased Water Adjustment

This is an application for a purchased water rate adjustment for the Lyon County Water District. The adjustment is necessary to recover an increase in the cost of water attributable to our supplier's new wholesale rates.

The district will publish the enclosed public notice of these requested rate revisions in the local newspaper. In accordance with PSC rules and regulations, the notice will be published before the new bills are issued and will be published one time. A copy of the newspaper notice will be forwarded to you upon publication.

Sincerely,



Don Robertson
Chairman

enclosure

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

Lyon County Water District
(Name of Utility)

August 20, 2004
(Date)

P.O. Box 489
(Address)

Kuttawa, KY 42055
(City, State)

270-388-0271
(Telephone Number)

RECEIVED

SEP 09 2004

**PUBLIC SERVICE
COMMISSION**

Case 2004-00361

- 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 Kuttawa</u>	<u>\$2.07 Per 1,000 Gal.</u>	<u>No change.</u>
<u>City of Princeton</u>	<u>\$1.97 Per 1,000 Gal.</u>	<u>No change</u>
<u>City of Eddyville</u>	<u>\$2.00 Per 1,000 Gal.</u>	<u>\$3.50 Per 1,000</u>
<u>Gal.</u>		

- 1.b. Eddyville has given notice to the Public Service Commission and Lyon County Water District has decided to accept the increased rate from Eddyville.

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 July 2003 through June 2004
(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
<u>City of Kuttawa</u>	<u>45,205,700</u>
<u>City of Princeton</u>	<u>45,432,456</u>
<u>City of Eddyville</u>	<u>19,568,800</u>
 TOTAL	 <u>110,206,956</u>

4. Total sales for the 12 month period 80,583,600

5. Increased water cost \$29,353.20

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


6. Purchased water adjustment factor \$.36

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 Date Eddyville rate is approved by PSC.

Eddyville has changed the increased rate to Lyon Co. for 2 months



Don Robertson, Chairman

FOR Lyon County
Community, Town or City

P.S.C. KY. NO. _____

Revised _____ SHEET NO. _____

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

Original _____ SHEET NO. _____

Lyon County Water District
(Name of Utility)

CONTENTS

Rates: Monthly
5/8" x 3/4" Meter

First	2,000 gallons	\$19.12	Minimum Bill
Next	3,000 gallons	8.05	per 1,000 gallons
Next	5,000 gallons	6.02	per 1,000 gallons
Next	10,000 gallons	3.99	per 1,000 gallons
Over	20,000 gallons	3.49	per 1,000 gallons

1" Meter

First	15,000 gallons	\$75.44	Minimum Bill
Next	5,000 gallons	3.26	per 1,000 gallons
Over	10,000 gallons	2.86	per 1,000 gallons

1-1/2" Meter

First	25,000 gallons	\$106.00	Minimum Bill
Over	25,000 gallons	2.86	per 1,000 gallons

2" Meter

First	45,000 gallons	\$163.11	Minimum Bill
Over	45,000 gallons	2.86	per 1,000 gallons

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____

ISSUED BY _____
Monthly / Date / Year
Don Robertson
(Signature of Officer)

TITLE _____
Chairman

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

NOTICE

Due to a rate increase from the City of Eddyville, the Lyon County Water District has filed an application with the Public Service Commission to implement the following rate schedule. The proposed change will affect all bills issued on and after the date the revised rates are implemented by the city of Eddyville.

<u>Monthly Rates</u>	<u>Current Rates Approved by PSC</u>	<u>Proposed Rates</u>
<u>5/8" x 3/4" Meter</u>		
First 2,000 gallons	\$18.40 Minimum Bill	\$19.12 Minimum Bill
Next 3,000 gallons	7.69 per 1,000 gallons	8.05 per 1,000 gallons
Next 5,000 gallons	5.66 per 1,000 gallons	6.02 per 1,000 gallons
Next 10,000 gallon	3.63 per 1,000 gallons	3.99 per 1,000 gallons
Over 20,000 gallons	3.13 per 1,000 gallons	3.49 per 1,000 gallons
<u>1" Meter</u>		
First 15,000 gallons	\$70.04 Minimum Bill	\$75.44 Minimum Bill
Next 5,000 gallons	2.90 per 1,000 gallons	3.26 per 1,000 gallons
Over 20,000 gallons	2.50 per 1,000 gallons	2.86 per 1,000 gallons
<u>1-1/2" Meter</u>		
First 25,000 gallons	\$97.00 Minimum Bill	\$106.00 Minimum Bill
Over 25,000 gallons	2.50 per 1,000 gallons	2.86 per 1,000 gallons
<u>2" Meter</u>		
First 45,000 gallons	\$141.69 Minimum Bill	\$163.11 Minimum Bill
Over 45,000 gallons	2.50 per 1000 gallons	2.86 per 1,000 gallons

Based on the rates currently approved in Case No. 2002-00307, the bill for an average customer using 5,000 gallons each month would go from \$41.87 to \$43.27, a monthly increase of \$1.80. or 4 percent.

The rates contained in this notice are the rates proposed by the Lyon County Water District. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this notice.

Lyon County Water District has available for inspection at its office the application submitted to the Public Service Commission. You may contact the office at 270-388-0271

