

PEAKS MILL WATER DISTRICT

Wilbert Perkins, Chairman

310 Perkins Road
Frankfort, Kentucky 40601
March 30, 2005

(502) 227-5740

Case 2005-00147

Public Service Commission
P.O. Box 615
Frankfort, KY 40602

The Peaks Mill Water District of Franklin County, Kentucky, respectfully requests that the COMMISSION allow us to make an adjustment in our rates in accordance with 802 KAR 5:067, Purchased Water Adjustment Clause.

The District has been told by its supplier, Frankfort Electric & Water Plant Board, that a \$0.121 per 1000 gallon increase will take effect May 1, 2005. The District purchased 77,632,800 gallons from January 2004 through December 2004. The District sold 67,803,600 gallons to its customers. The difference between the old cost and new cost is expected to be \$9,393.57, the incremental cost in terms of water sold is \$0.14 per 1000 gallons. We propose to raise each gallonage block that amount.

The following documents are enclosed:

- Exhibit A. Purchased Water Rate Adjustment
- Exhibit B. Copy of Wholesale Tariff
- Exhibit C - 1 Statement of Water Purchased
- Exhibit C - 2 Statement of Water Sold
- Exhibit D. Notice to Customers
- Exhibit E. Tariff Sheet
- Exhibit F. Purchased Water Adjustment Calculations

RECEIVED
APR 01 2005
PUBLIC SERVICE
COMMISSION

By copy of this letter with enclosures, we have notified the Attorney General of this application. If you have any questions, please contact Warner Broughman at (859) 271-1778, as he is handling this matter.

Yours truly,

Wilbert Perkins

Wilbert Perkins
Chairman

cc: Attorney General

PURCHASED WATER RATE ADJUSTMENT

Pursuant to KRS 278.012 and 278.015

Peaks Mill Water District
(Name of Utility)

March 30, 2005
(Date)

310 Perkins Lane, Frankfort, KY 40601
(Business Mailing Address)

(502) 227-5740
(Telephone Number)

1. (a) Names of all wholesale suppliers and the base rate and changed rate of each. In the event the water purchased is billed by the supplier on other than a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

<u>Suppliers</u>	<u>Base Rate</u>	<u>Changed Rate</u>
(1) <u>Frankfort Electric & Water and Plant Board</u>	<u>\$1.418 per 100 gal.</u>	<u>\$1.539 per 1000 gal.</u>
(2) _____	_____	_____
(3) _____	_____	_____

2. Twelve-month Period Upon Which Purchased Water Adjustment is Based

From January 2004 through December 2004
Month & Year Month & Year

3. Statement of Water Purchases (Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. Where water is purchased from a supplier through more than one meter and bills are computed individually for each meter, purchases should also be shown separately for each meter.)

<u>Suppliers</u>	<u>Gallons Purchased Meter No. 1</u>	<u>Gallons Purchased Meter No. 2</u>
(1) <u>Frankfort Electric & Water and Plant Board</u>	<u>77,632,800</u>	_____
(2) _____	_____	_____
(3) _____	_____	_____

4. Total Sales for the 12-Months 67,803,600 gallons.

5. Purchased Water Adjustment Factor 0.14 per gallon.

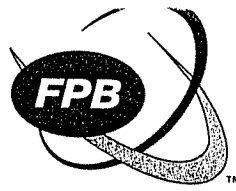
NOTE: Revised tariff sheets must be attached showing rates to be charged by the utility and the effective date of such increased rates.

(Signature of Utility Officer)

Chairman

(Title)

Warner Caines
General Manager



* Electric * Water * Cable
* Cable Advertising * Community TV

Frankfort Plant Board

February 18, 2005

Mr. Wilbert Perkins, Chairman
Peaks Mill Water District
310 Perkins Road
Frankfort, Kentucky 40601

RE: Proposed Water Rate Increase

Dear Mr. Perkins:

At their Regular Board Meeting on February 15, 2005, the Board of Directors of the Frankfort Plant Board approved the proposed water rate increase to all Resale Customers effective 30 days after notification has been given to the Public Service Commission. The Public Service Commission was notified on February 17, 2005. Any consumption used after March 19, 2005 will be calculated at the new rate of \$1.539 per 1,000 gallons.

Should you have any questions, please feel free to contact me at 502-352-4377.

Sincerely,

A handwritten signature in black ink, appearing to read "Warner J. Caines", written over a white background.

Warner J. Caines
General Manager

WJC/abb
Cc: Chron File

Equal Opportunity/Affirmative Action Employer

317 West Second Street (P.O. Box 308) Frankfort, Kentucky 40601 Phone (502) 223-3401
Fax (502) 223-3887 www.fewpb2.com

EXHIBIT B

PEAKS MILL WATER DISTRICT

Wilbert Perkins, Chairman

310 Perkins Road
Frankfort, Kentucky 40601

(502) 227-5740

GALLONS OF WATER PURCHASED				
FROM				
FRANKFORT PLANT BOARD				
FROM				
JANUARY 1, 2004 THROUGH DECEMBER 31, 2004				
January	=	6,435,900	=	\$9,447.90
February	=	6,227,300	=	\$9,141.68
March	=	6,503,500	=	\$9,762.20
April	=	6,307,100	=	\$9,258.83
May	=	6,488,700	=	\$9,525.41
June	=	7,344,700	=	\$10,782.02
July	=	6,453,500	=	\$9,473.74
August	=	6,553,000	=	\$9,619.81
September	=	7,367,600	=	\$10,815.65
October	=	5,952,300	=	\$8,737.98
November	=	5,808,900	=	\$8,527.47
December	=	6,190,300	=	\$9,087.36
TOTALS		77,632,800		\$114,180.05

EXHIBIT C - 1

PEAKS MILL WATER DISTRICT

Wilbert Perkins, Chairman

310 Perkins Road
Frankfort, Kentucky 40601

(502) 227-5740

STATEMENT OF WATER SOLD JANUARY 1, 2004 THROUGH DECEMBER 31, 2004

	4,628,900
	5,286,600
	4,646,500
	5,265,000
	5,205,000
	5,622,500
	5,424,000
	31,725,000
TOTAL	<hr/> 67,803,600

NOTICE TO THE PUBLIC OF UTILITY RATE CHANGE

Peaks Mill Water District

The rates contained in this notice are the rates proposed by Peaks Mill 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.

Monthly Rates

- Residential Meter

First	2,000 Gallons	\$ 15.72 Minimum Bill
Next	1,000 Gallons	\$ 4.37 Per 1,000 Gallons
Next	2,000 Gallons	\$ 3.77 Per 1,000 Gallons
All Over	5,000 Gallons	\$ 2.57 Per 1,000 Gallons

- Commercial

First	113,000 Gallons	\$ 226.56 Minimum Bill
All over	113,000 Gallons	\$ 2.57 Per 1,000 Gallons

Any corporation, association, body politic or person may make a motion within thirty (30) days of this publication to request leave to intervene. Any application for such a motion shall set forth within it the grounds for the request and the status and interest of the motional party.

Any such application for motion shall be submitted to the Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, Kentucky 40602. A copy of the application and testimony shall be made available for public inspection at the office of Peaks Mill Water District, 310 Perkins Road, Frankfort, Kentucky.

EXHIBIT D

Form for filing Rate Schedules

For Northwestern Franklin County
Community, Town or City

P.S.C. KY. No. _____

_____ REVISED SHEET NO. 1

CANCELLING P.S.C. KY NO. _____

_____ SHEET NO. _____

PEAKS MILL WATER DISTRICT

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RATE

Applicable: **Entire Area Served**

Available: **To All Customers Service by the Water District**

Rates:

5/8 - 1-Inch Meter

First	2,000 Gallons	\$ 15.72 Minimum Bill
Next	1,000 Gallons	\$ 4.37 Per 1,000 Gallons
Next	2,000 Gallons	\$ 3.77 Per 1,000 Gallons
All Over	5,000 Gallons	\$ 2.57 Per 1,000 Gallons

1-1/2 - 2-Inch Meter

First	113,000 Gallons	\$226.56 Minimum Bill
Over	113,000 Gallons	\$ 2.57 Per 1,000 Gallons

Date of Issue March 4, 2005 Date Effective April 30, 2005

Issued by Wilbert Perkins Title Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ dated _____.

EXHIBIT E

PURCHASED WATER ADJUSTMENT CALCULATIONS

System Peaks Mill Water District
By Warner A. Broughman, III, P.E.
Date March 15, 2005

WATER PURCHASED:

<u>Frankfort P.B.</u>	<u>77,632,800</u> Gallons
_____	_____ Gallons
_____	_____ Gallons
TOTAL	<u>77,632,800</u>

WATER SOLD: 67,803,600 Gallons

COST AT CHANGED RATE:

$$\frac{77,632.8 \text{ Gallons} \times \$ 1,539}{\text{Base Rate} \times 12 \text{ months}} = \frac{\$119,476.88}{\text{_____}}$$

COST AT BASE RATE:

$$\frac{77,632.8 \text{ Gallons} \times \$ 1,418}{\text{Base Rate} \times 12 \text{ months}} = \frac{\$110,083.31}{\text{_____}}$$

INCREASED PURCHASE COST:	CHANGED	=	\$119,476.88
	<u>- BASE</u>	=	<u>110,083.31</u>
	INCREASE	=	\$ 9,393.57

UNIT PRICE:

$$\frac{\text{INCREASE}}{\text{WATER SOLD}} = \frac{9,393.57}{67,803.6} = \underline{\$0.14} \text{ PER 1000 GALLONS}$$

EXHIBIT F