# SOUTHEAST DAVIESS COUNTY WATER DISTRICT

3400 Bittel Rd Owensboro, KY 42301 Phone : (270) 685-5594 Fax : (270) 683-6324

April 6, 2006

To : Ms. Beth O'Donnell Executive Director Public Service Commission 211 Sower Blvd P.O. Box 615 Frankfort, KY 40602 RECEIVED APR 1 7 2006 PUBLIC SERVICE COMMISSION

**RE** : Purchased Water Rate Adjustment

Case No. 2006.00157

Ms. O'Donnell,

By letter dated March 15, 2006, we were notified that our wholesale supplier, Owensboro Municipal Utilities (OMU) will be increasing their rate charged to us from \$ 1.360 per 1,000 gallons to \$ 1.491 per 1,000 gallons effective June 1, 2006. As a result, we are submitting a purchased water adjustment to recover the additional water cost to the Southeast Daviess County Water District. Pages 1 - 3 is the information requested by the Public Service Commission for the rate adjustment. Pages 4 and 5 is the revised tariff sheets which pertain to the rate increase. Exhibit A is the before mentioned letter from OMU. Exhibit B is our calculation of how the increase will affect the rates to our customers. Exhibit C is the newspaper notice notifying our customers of the purchased water adjustment submitted to the Public Service Commission to be included in our local newspaper.

If there are any questions, please contact our office.

Sincerely. WILLIAM G. HIGDON

Manager

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

RECEIVED

APR 1 7 2006

PUBLIC SERVICE

COMMISSION

Southeast Daviess County Water District

(Name of Utility)

<u>4-6-06</u> (Date)

3400 Bittel Rd (Address)

Case No. 2006-00157

Owensboro, KY 42301 (City, State)

(270) 68595594 (Telephone Number)

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 shedule must be shown. Attach additional sheets if necessary.

\$ 1.491 per 1,000 gal.
Amerikana

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 April 2005		through	March 2006	
	(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 decling block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased		
Owensboro Múnicipal Utilities	during 12 month period 579,585,200		
TOTAL PURCHASES	579,585,200		
. <b>ə</b>			

4. Total sales for the 12 month period 546,137,670

5. Increased water cost \$ 75,925.66 .

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

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6. Purchased water adjustment factor \$ .14 per 1,000 gallons

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.

(Signature of Utility Officer)

(Title)

	FOR Southeast Daviess County, Kentucky Community, Town or City
	P.S.C. KY. NO
	Sheet NO1
Southeast Daviess County Water District (Name of Utility)	CANCELLING P.S.C. KY. NO1 Sheet NO1

# **RATES AND CHARGES**

#### A. MONTHLY RATES:

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Non Users First 2,000 Gallons Next 8,000 Gallons Next 10,000 Gallons Next 20,000 Gallons Over 40,000 Gallons

#### \$ 5.34

7.64 Minimum Bill 2.31 Per 1,000 Gallons 2.20 Per 1,000 Gallons 2.09 Per 1,000 Gallons 2.00 Per 1,000 Gallons

DATE OF ISSUE	Month / Date / Year	darranda arazza de 1998 de construcción de construcción de la construcción de la construcción de la construcción
DATE EFFECTIVE	June 1, 2006	
Λ	Month / Date / Year	
ISSUED BY	uph T Elliat	a san di A Ali
7/	(Signature of Officer)	
TITLE	hairman	

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

P.S.C. KY. NO.	1		
S	heet NO	5_	

Southeast Daviess County Water District (Name of Utility)

\_\_\_\_\_ Sheet NO. \_\_\_\_ 5

# RATES AND CHARGES

## E. PURCHASED WATER RATES:

**Owensboro Municipal Utilities** 

# F. WHOLESALE WATER RATES:

City of Whitesville

East Daviess County Water Association

Rate \$ 1.491 per 1,000 Gallons

Rate \$ 1.75 per 1,000 Gallons

\$ 1.75 per 1,000 Gallons

DATE OF ISSUEApril 6, 2006
Month / Date / Year
DATE EFFECTIVE
A Month / Date / Year
ISSUED BY Jasuph J Ellen
TITLE
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO DATED



March 15, 2006

Mr. William Higdon, Manager Southeast Daviess County Water District 3400 Bittel Road Owensboro, KY 42301

Re: Wholesale Water Rate Increase

Dear Bill:

We have made the required rate calculations using projected usages and costs for the remainder of the fiscal year ending May 31, 2006, as per the terms of our contract. A copy of these calculations is enclosed, as well as a copy of fiscal year 2005 true-up calculations.

Based on these calculations, the rate charged to the Southeast Daviess County Water District will become \$1.491 per thousand gallons effective June 1, 2006, an increase of 9.6% versus fiscal year 2006. Please recall our discussions last March pertaining to projected future rates for the district. At that time, we estimated the Southeast District rate for the coming year to be approximately \$1.50 per thousand gallons.

The ultimate per unit cost to Southeast District is highly dependent upon the annual district usage. Future year calculations may result in fluctuations in the rate per thousand gallons. The formal calculation will continue to be prepared annually.

Please contact me with any questions or if you need further information.

Sincerely,

Robert E. Hunzinger 🥢 General Manager

Cc: Kentucky Public Service Commission Enclosures

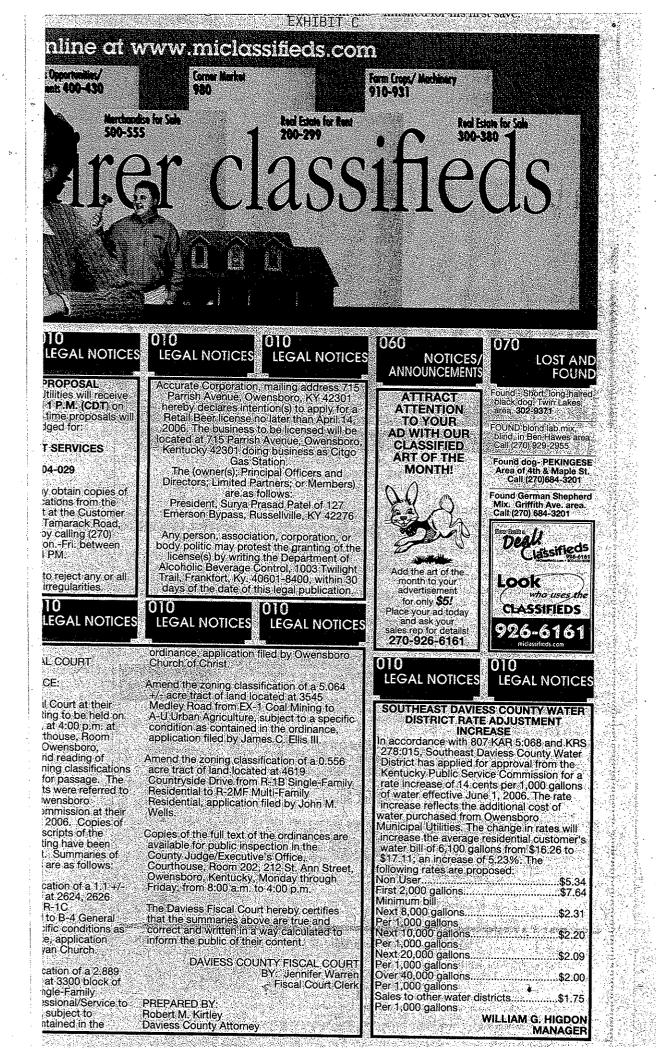
## Exhibit B

	Sales	Gallons Purchased
Apr 2005	39,003,930	41,892,000
May	41,895,130	52,839,300
Jun	51,153,190	58,067,400
Jul	59,151,110	54,433,600
Aug	56,705,700	64,185,000
Sep	53,233,320	49,093,200
Oct	45,007,960	50,071,700
Nov	45,463,370	43,189,500
Dec	40,458,690	41,033,900
Jan 2006	42,210,520	45,592,000
Feb	36,485,200	37,433,400
Mar	35,369,550	41,754,200
	546,137,670	579,585,200
	1.360	
x _	1.096	
	1.491	

Cost at changed rate	e				
579	,585,200	x 1.491 pe	r 1,000 gallons =	\$ 864,161.53	
Cost at base rate					
579	,585,200	x 1.360 pe	r 1,000 gallons =	\$ 788,235.87	
				\$ 75,925.66	
Proposed increase of	of water ra	ates			
\$ 7	5.925.66	1	546,137,670	/ 1000 gallons	

= 0.14 per 1,000 gallons

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# AFFIDAVIT OF PUBLICATION

Ruth Sehon of Owensboro, Kentucky being first duly sworn, says that she is Credit Coordinator of the Owensboro Messenger-Inquirer, Inc. a newspaper printed and published in the State of Kentucky, County of Daviess, and that the advertisement is a true copy which has been published in the Messenger Inquirer on the following dates, viz: April 12th, 2006.



Subscribed and sworn to before me, a Notary Public within and for the State and County aforesaid, by Ruth Sehon to me personally known, this 13th day of April, 2006. My commission expires the 1st day of March 2009.

<u>Ella Mae Peru</u>

County of Daviess Notary Public State of Kentucky

