

John O. Hicks, III

Attorney at Law

105 Main Street

P.O. Box 64

Calhoun, Kentucky 42327

(270) 273-5749

October 19, 2006

Beth O'Donnell
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602-0615

RECEIVED

OCT 23 2006

PUBLIC SERVICE
COMMISSION

RE: Purchased Water Rate Adjustment
North McLean County Water District

Case No. 2006-00454

Dear Ms. O'Donnell:

Enclosed please find signed original application for Purchased Water Rate Adjustment on behalf of North McLean County Water District, along with eleven (11) additional copies of same.

A copy of the Notice to Customers, as required pursuant to Section 5 of 807 KAR 5:068, will be filed with your office subsequently. Calculations reflecting the increased rate are attached.

North McLean County Water District proposes that the effective date of its Purchased Water Rate Adjustment would be November 8, 2006. However, we have left the effective date blank on our tariff (rates and charges) sheet so that the Public Service Commission may assign such effective date that you determine to be appropriate. Nevertheless, the Water District requests that you consider our proposed date of November 8, 2006, to be the effective date of the Purchased Water Rate Adjustment.

Please process this application and issue an Order approving the increased rate, as may be appropriate.

Should further information be needed, please be sure to let me know.

Very truly yours,

John O. Hicks, III

John O. Hicks, III

JOH/lb

Enclosures

cc: Nathel Jennings, Chairman

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

North McLean County Water District
 (Name of Utility)

October 16, 2006
 (Date)

P.O. Box 68
 (Address)

Livermore, KY 42352
 (City, State)

(270) 278-2800
 (Telephone Number)

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OCT 23 2006

PUBLIC SERVICE
 COMMISSION

Case No. 2006-00454

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.

<u>Supplier(s)</u>	<u>Base Rate</u>	<u>Changed Rate</u>
<u>City of Calhoun</u>	<u>\$1.76</u>	<u>\$1.90</u>
<u>City of Livermore</u>	<u>\$1.80</u>	<u>N/A (no change)</u>
<u>West Daviess County Water District</u>	<u>\$2.09</u>	<u>N/A (no change)</u>

(All rates are per 1,000 gallons)

- 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 October, 2005 through September, 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 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 Calhoun</u>	<u>106,206,000</u>
<u>City of Livermore</u>	<u>450,400</u>
<u>West Daviess County Water District</u>	<u>10,512,400</u>
TOTAL PURCHASES	<u>117,168,800</u>

4. Total sales for the 12 month period 95,265,300.

5. Increased water cost \$14,868.84.

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

6. Purchased water adjustment factor sixteen (16) cents 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.

7. Proposed effective date November 8, 2006.


(Signature of Utility Officer) Nathel Jennings

Chairman

(Title)

FOR McLean County, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. 1

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

_____ SHEET NO. _____

North McLean County
Water District
(Name of Utility)

RATES AND CHARGES

Monthly Rates

First 2,000 gallons	\$13.92 minimum bill
Next 8,000 gallons	4.91 per 1,000 gallons
Next 30,000 gallons	4.40 per 1,000 gallons
Over 40,000 gallons	3.92 per 1,000 gallons

DATE OF ISSUE October 16, 2006
Month / Date / Year

DATE EFFECTIVE _____

ISSUED BY Nathel Jennings Month / Date / Year
Nathel Jennings (Signature of Officer)

TITLE Chairman

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

City of Calhoun

P.O. Box 294

Calhoun, Kentucky 42327

Telephone: (270) 273-3092 • Fax: (270) 273-9717

TTY dial 711

June 21, 2006

North McLean County Water District

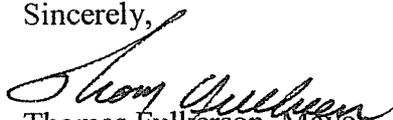
P. O. Box 68

Livermore, KY 42352

Re: Water Rate Increase

This is to notify you of a water rate increase which will take effect ninety (90) days from the date of this letter, said effective date being September 21, 2006. Your new rate will be \$1.90 per thousand (1,000) gallons used per month..

Sincerely,



Thomas Fulkerson, Mayor

TF:hwm

WEST DAVIESS COUNTY				
Month	Livia	Hwy 81	Guffey	Gals Sold
October	140900	88000	478300	
November		121000	630500	
December		73000	499200	
January		44000	431700	
February	10400	52000	475200	
March	2600	56000	409300	
April		67000	521000	
May		79000	625900	
June	474000	84000	607100	
July	892900	67000	698300	
August	1223100	58000	725500	
September	287300	51000	539200	
Totals	3031200	840000	6641200	95,265,300
CITY OF CALHOUN				
Month	136 West	Pot Chip	Hospital	Gals Sold
October	950000	5487000	2731000	
November	998000	5298000	2698000	
December	961000	4738000	2566000	
January	977000	4883000	2365000	
February	975000	4782000	2451000	
March	873000	4499000	2368000	
April	857000	4757000	2169000	
May	1045000	5031000	2496000	
June	1028000	5538000	2678000	
July	1054000	5616000	3036000	
August	1111000	6012000	3273000	
September	1053000	5835000	3017000	
Totals	11882000	62476000	31848000	95,265,300
CITY OF LIVERMORE				
Month	Hwy 431			
October				
November				
December				
January				
February				
March				
April				
May				
June	71700			
July	175100			
August	143200			
September	60400			
Totals	450400			95,265,300

West Daviess County

10,512,400 Divided by 1,000 = 10,512.40

10,512.40 X 2.09 = 21970.92

City of Livermore

450,400 Divided by 1,000 = 450.40

450.40 X 1.80 = 810.72

City of Calhoun

106,206,000 Divided by 1,000 = 106,206.00

106,206.00 X 1.76 = 186,922.56

106,206.00 X 1.90 = 201,791.40

	201,791.40
	<u>-186,922.56</u>
Increase	14,868.84

14,868.84 Divided by 95,265,300 = .000156

Proposed Rate

First 2,000 gals	13.92
Next 8,000 gals per 1,000 gals	4.91
Next 30,000 gals per 1,000 gals	4.40
Over 40,000 gals per 1,000 gals	3.92

FOR McLean County, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. 1

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

_____ SHEET NO. _____

North McLean County Water District
(Name of Utility)

RATES AND CHARGES

Monthly Rates

First 2,000 gallons	\$13.60 Minimum bill
Next 8,000 gallons	\$ 4.75 per 1,000 gallons
Next 30,000 gallons	\$ 4.24 per 1,000 gallons
Over 40,000 gallons	\$ 3.76 per 1,000 gallons

current

DATE OF ISSUE April 18, 2005
Month / Date / Year

DATE EFFECTIVE May 8, 2005
Month / Date / Year

ISSUED BY *Nathel Jennings*
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2005-00165 DATED May 12, 2005

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
5/8/2005
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By *[Signature]*
Executive Director

REGARDLESS OF WEIGHT
DOMESTIC USE ONLY

FOR PICKUP CALL 1-800-222-1811



PRIORITY MAIL

UNITED STATES POSTAL SERVICE®

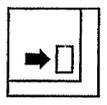
U.S. POSTAGE
 PRIORITY MAIL SERVICE
 0000
 48602
 CRLHOUN, KY
 OCT 22 2006
 PRIORITY MAIL
 \$4.05
 00052088-03

www.usps.com

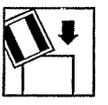
HOW TO USE:



1. COMPLETE ADDRESS LABEL AREA
Type or print required return address and addressee information in customer block (white area) or on label (if provided).



2. PAYMENT METHOD
Affix postage or meter strip to area indicated in upper right hand corner.



3. ATTACH LABEL (if provided)
Remove label backing and adhere over customer address block area (white area).

John O. Hicks, III
Attorney at Law
105 Main Street
P.O. Box 64
Cathoun, Kentucky 42327

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Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602-0615

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