# WEST DAVIESS COUNTY WATER DISTRICT

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

Fax: (270) 683-6324

RECEIVED

April 10, 2007

APR 1 2 2007

PUBLIC SERVICE COMMISSION

To: Ms. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd
P.O. Box 615
Frankfort, KY 40602

RE: Purchased Water Rate Adjustment

Case No. 2007-00150

Ms. O'Donnell,

By letter dated March 8, 2007, we were notified that our wholesale supplier, Owensboro Municipal Utilities (OMU) will be increasing their rate charged to us from \$1.373 per 1,000 gallons to \$1.405 per 1,000 gallons effective June 1, 2007. As a result, we are submitting a purchased water adjustment to recover the additional water cost to the West 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 within the next couple of days. We will send the affidavit once we receive it from the newspaper.

If there are any questions, please contact our office.

Sincerely,

WILLIAM G. HIGDON D. Higdon

Manager

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

## RECEIVED

APR 1 2 2007

PUBLIC SERVICE

WEST DAVIESS COUNTY WATER DISTRICT (Name of Utility)	******	COMMISSION	
APRIL 10, 2007			~ ~ 1 C T
(Date)		No. 2007-C	10100
3400 BITTEL ROAD	Cose	.700.	
(Address)			
OWENSBORO, KY 42301	·		
(City, State)			
(270) 685-5594	·		
(Telephone Number)			
of each. In the event the water that is not a flat rate schedule, to additional sheets if necessary.  Supplier(s)			4 4 .
Owensboro Municipal Utilities	\$1.373 per 1,000 gallons	\$ <u>1.405 per</u> 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	April 2006 through Ma (month and year)	(month and year)	
3.	supplier, purchases from each supplied	re water is purchased from more than one er must be shown separately. If water is rate schedule, purchases for each month al sheet if necessary.	
<u>Owens</u>	Supplier(s)	Gallons Purchased during 12 month period 408,370,000	
	TOTAL PURCHASES	408,370,000	
4.	Total sales for the 12 month period	366,586,990	
	12 067 94	*	
5.	The increased water cost is the co (current rate) and purchases at new	st difference between purchases at base	

6. Purchased water adjustment factor \$ .04 per 1,000 gallons

The purchased water adjustment factor is obtained by dividing the income.

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	June 1, 2007	
1.	Proposed effective date	ounc 19 2007	

Board Chairman

(Title)

	Community, Town or City
	P.S.C. KY. NO1
	Sheet NO1
West Daviess County Water District (Name of Utility)	CANCELLING P.S.C. KY. NO1 Sheet NO1
RATES	AND CHARGES
A. MONTHLY RATES:	
5/8" x 3/4" Meter Customer Charge First 20,000 Gallons Over 20,000 Gallons  1" Meter Customer Charge First 20,000 Gallons Over 20,000 Gallons  1 1/2" Meter Customer Charge First 20,000 Gallons Over 20,000 Gallons Over 20,000 Gallons Over 20,000 Gallons Over 20,000 Gallons  2" Meter Customer Charge First 20,000 Gallons Over 20,000 Gallons Over 20,000 Gallons	<ul> <li>\$ 1.49 Per Month         3.21 Per 1,000 Gallons         2.44 Per 1,000 Gallons     </li> <li>\$ 3.73 Per Month         3.21 Per 1,000 Gallons         2.44 Per 1,000 Gallons     </li> <li>\$ 7.46 Per Month         3.21 Per 1,000 Gallons         2.44 Per 1,000 Gallons     </li> <li>\$ 14.93 Per Month         3.21 Per 1,000 Gallons     </li> <li>\$ 14.93 Per Month         3.21 Per 1,000 Gallons     </li> </ul>
DATE OF ISSUEApril 6, 2007	
DATE EFFECTIVE June 1, 2007  Month / Date / Year	
ISSUED BY AM Thurman Signature of Officer	**************************************
TITLE Board Chairman	•
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE CO	

	FOR West Daviess County, Kentucky Community, Town or City
	P.S.C. KY. NO1
	Sheet NO5
West Daviess County Water District (Name of Utility)	CANCELLING P.S.C. KY. NO1
·	Sheet NO 5
RATES AND C	CHARGES
D. PURCHASED WATER RATES:	
Owensboro Municipal Utilities	<u>Rate</u> \$ 1.405 per 1,000 Galions
E. WHOLESALE WATER RATES:	
McLean County Water District	<u>Rate</u> \$ 2.13 per 1,000 Gallons
Beech Grove Water Association	\$ 2.13 per 1,000 Gallons
DATE OF ISSUE April 6, 2007  Month / Date / Year	
DATE EFFECTIVE June 1, 2007  Month / Date / Year	<del></del>
ISSUED BY MILES Signature of Officer	,
TITLE Board Chairman	‡
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISS IN CASE NO DATED	ION



March 8, 2007

Mr. William Higdon, Manager West 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, 2007, as per the terms of our contract. A copy of these calculations is enclosed, as well as a copy of fiscal year 2006 true-up calculations.

Based on these calculations, the rate charged to the West Daviess County Water District will become \$1.405 per thousand gallons for fiscal year 2008, effective June 1, 2007; an increase of 2.3% versus fiscal year 2007.

The ultimate per unit cost to West 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

		Sales	Gallons Purchased
Арг	2006	31,450,530	31,319,600
May		30,132,480	39,929,000
Jun		36,366,260	39,470,700
Jul		37,907,110	42,285,200
Aug		37,293,760	39,783,600
Sep		30,717,150	32,583,100
Oct		28,330,190	31,933,400
Nov		25,906,190	29,117,100
Dec		26,668,220	32,534,700
Jan	2007	28,036,380	27,415,000
Feb		28,616,470	31,255,600
Mar		25,162,250	30,743,000
	•	366,586,990	408,370,000
		1.373	
	x	1.023	2.30%
	****	1.405	

Cost at changed rate

408,370,000 x 1.405 per 1,000 gallons = \$ 573,759.85

Cost at base rate

408,370,000 x 1.373 per 1,000 gallons = \$ 560,692.01

\$ 13,067.84

Proposed increase of water rates

13,067.84 / 366,586,990 / 1000 gallons

= 0.04 per 1,000 gallons

## EXHIBIT C

## WEST DAVIESS COUNTY WATER DISTRICT RATE ADJUSTMENT INCREASE

In accordance with 807 KAR 5:068 and KRS		
278:015, West Daviess County Water District		
has applied for approval from the Kentucky		
Public Service Commission for a rate increase		
of 4 cents per 1,000 gallons of water effective		
June 1, 2007. The rate increase reflects the		
additional cost of water purchased from		
Owensboro Municipal Utilities. The change		
in rates will increase the average residential		
customer's water bill of 5,500 gallons with a 3/4 "		
meter from \$18.93 to \$19.15; an increase		
of 1.16%. The following rates are proposed:		
First 20,000 gallons\$ 3.21		
Per 1,000 gallons		
Over 20,000 gallons\$ 2.44		
Per 1,000 gallons		
Sales to other water districts\$ 2.13		
Per 1,000 gallons		
Customer charge by meter size:		
5/8" x 3/4"\$ 1.49 per month		
1"\$ 3.73 per month		
1 1/2"\$ 7.46 per month		
2"		
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WILLIAM G. HIGDON MANAGER West Davies Co. Winder Olik:
3400 Bittel Road:
Ownstator; KV, 42501

7004, 2250 0005 0435 3451

Ms. Beth O'Donnell, Executive Director
Public Service Commission
211 Sower Blod
P.O. Box 615
P-O. Box 615
Frankfort, KY 40502

PRIORITY

PRIORITY

MAIL

Warting Priority Commission

Warting

PUBLIC SERVICE COMMISSION

