

Union County Water District

P.O. Box 146
Morganfield, Kentucky 42437
389-3868

December 23, 2009

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

2009-00546

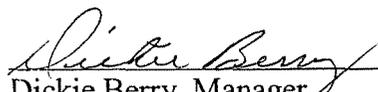
RECEIVED
DEC 30 2009
PUBLIC SERVICE
COMMISSION

RE: Formal Application for a Purchased Water Adjustment

This is an application for a purchased water rate adjustment for the Union County Water District. The adjustment is necessary to pass through 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,


Dickie Berry, Manager

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

Name of Utility	Union County Water District	
Date	December 23, 2009	
Address	P.O. Box 146 409 North Court Street	
City, State, Zip	Morganfield, KY	42437
Telephone Number	270-389-3868	

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.

Supplier(s)	Base Rate	Changed Rate
City of Morganfield	1.3487	1.3816

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	November 2008	through	October 2009
	(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
City of Morganfield		266,566,700 gals
TOTAL PURCHASES		
4. Total sales for the 12 month period		238,101,820 gals
5. Increased water cost		\$8,770.04
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.		
6. Purchased water adjustment factor		\$0.04
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.		
<p>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.</p>		
7. Proposed effective date		December 31, 2009
		
Signature of Utility Officer		
Chairman		
Title		

P.S.C. Ky. No. _____

Cancels P.S.C. Ky. No. _____

City
of
Morganfield, Kentucky

Rates, Rules, and Regulations for Furnishing

Water

At

Morganfield, Kentucky to the Union County Water District

Filed with PUBLIC SERVICE COMMISSION OF
KENTUCKY

ISSUED: December 17, 2009

EFFECTIVE: December 31, 2009

ISSUED BY: City of Morganfield

BY: _____

Jerry Freer
Mayor

Form for filing Rate Schedules

For _____
Community, Town or City

P.S.C. Ky. No. _____
Sheet No. _____

City of Morganfield
Name of Issuing Corporation

Cancels P.S.C. Ky. No. _____
Sheet No. _____

Classification of Service

Rate
Per Unit

The City of Morganfield has filed a proposed rate schedule which will increase by 2.439% the rate which it currently charges to the Union County Water District for water service. The City of Morganfield currently charges \$ 1.3487 per thousand gallons for water service. It proposes to charge \$ 1.3816 per thousand gallons for water service effective December 31, 2009.

DATE OF ISSUE: December 17, 2009
ISSUED BY Jerry Freer
Name of Officer

EFFECTIVE: December 31, 2009
Title Mayor

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

Union County Water District
 Schedule of water production costs and rates
 For the period beginning Dec 2009

Based on costs for fiscal year ended June 30, 2009

Expenses-Breck Plant:		Gross earnings		Fy 6/09	Fy 6/08	Fy 6/07	Fy 6/06	Fy 6/05	Fy 6/04	Fy 6/03
Salaries:										
John Coffman	Super	\$ 41,090	100.00%	41,090	\$ 38,971	\$ 38,521	\$ 37,301	\$ 33,614	\$ 31,073	11,951
Tommy. Menser	Labor	29,916	100.00%	29,916	28,425	27,584	25,935	24,810	25,051	7,310
William K. Buckman	Mechanic	41,464	60.00%	24,878	23,888	23,331	22,402	20,819	21,080	42,164
Donald Beaven	PT Operator	10,780	100.00%	10,780	11,593	12,517	11,077	10,485	13,574	841
Randy McMain/Wm J. Leigh (09)	Labor	832	100.00%	832	1,911	28,002	26,767	24,362	1,835	7,750
Henry Leonberger	Retired		100.00%	-	-	-	-	4,755	27,472	26,199
Thomas R. Clements	Labor	11,800	100.00%	11,800	11,893	10,752	11,274	9,040	9,477	9,025
Thomas Horton	Operator	25,014	100.00%	25,014	21,067	-	-	-	-	-
Jeremy S. Martin	Operator	30,556	100.00%	30,556	29,328	29,755	27,436	25,871	28,263	26,297
Damian Alvey	Operator	28,119	100.00%	28,119	26,041	25,194	24,315	20,157	15,779	789
Jerry Brantley	Operator	9,337	100.00%	9,337	9,213	8,764	9,090	6,320	-	-
Miles Clevidence	Operator		100.00%	-	1,664	624	-	-	-	-
Total Salaries		228,908		212,322	203,994	205,044	195,597	180,233	173,604	132,326
Other salaries										
Telephone				2,329	\$ 1,788	\$ 1,656	\$ 1,718	\$ 3,188	\$ 3,625	\$ 2,147
Office and postage				5,743	5,673	5,173	1,852	1,426	2,073	1,326
Rental/lease expense				696	637	534	515	425	493	381
Retirement/Payroll tax				40,178	46,214	44,994	40,842	31,019	34,605	25,531
Advertising				557	15	660	472	707	1,707	434
Equip repairs				19,849	21,199	20,278	22,720	25,243	10,469	9,752
Less: Ins reimb on repairs in other income					-	-	-	(16,302)	-	-
Bldg repairs					-	-	-	-	-	239
Insurance				21,765	29,355	31,982	27,697	25,913	22,141	20,827
Legal and accounting				2,000	1,930	1,854	3,008	1,957	4,646	2,264
Travel				1,122	633	615	1,852	1,034	950	1,227
Gas and Oil				5,762	5,468	5,675	5,129	4,555	2,198	3,876
Health & Disability				81,750	71,669	81,153	95,989	132,489	127,851	166,493
Chemicals				123,747	113,801	96,051	80,738	68,749	54,257	65,083
Electricity				87,664	89,294	77,845	71,652	69,560	51,605	61,503
Engineering				15,627	16,265	16,906	12,870	7,691	8,423	12,060
Uniforms				1,850	1,885	1,836	2,189	2,002	2,058	2,859
Maint supplies				2,324	5,851	5,651	3,804	530	6,668	1,530
Other				3,806	3,823	4,134	7,201	3,785	5,217	-
Small capital items				4,467	61,273	11,364	657	5,301	18,178	8,339
Small capital items (Item # 723; 722)				24,605	-	-	-	18,790	-	-
Orig Cost										
Cap recovery (incl interest)										
Equipment (1999)	A	Thru 2015	34,817	2,418	2,418	2,418	2,418	2,418	2,418	2,418
Raw water line; Bldg imp (2000)	B	Thru 2017	513,897	49,527	49,527	49,527	49,527	49,527	49,527	49,527
Collector well,	C	Thru 2018	272,683	24,370	24,370	24,370	24,370	24,370	24,370	24,370
2002 Cap exp	D	Thru 2019	42,082	3,815	3,815	3,815	3,815	3,815	3,815	3,815
2004 Cap exp (equipment)	E	Thru 2021	32,531	2,785	2,785	2,785	2,785	2,785	2,785	-
2004 Cap exp (Raw water line)	F	Thru 2022	617,839	49,756	49,756	49,756	49,756	49,756	49,756	Net of 500 m contrib from UCFC
Debt service:										
Principal on bonds		Thru 2008	-	-	190,000	185,000	175,000	165,000	165,000	155,000
Interest on bonds		Not incl amort	-	-	692	8,987	17,045	24,660	32,684	
Change in interest rate factor			(2,287)	(3,931)	(5,375)	(5,796)	(10,933)	(5,669)	(10,878)	
Grand total				\$ 788,547	\$ 809,507	\$ 931,393	\$ 897,364	\$ 882,078	\$ 798,768	\$ 775,133
Water rate per 1000 gallon (Cost / Production)										
				1.3816	1.3487	1.6450	1.7261	1.6606	1.5020	1.0379
Production 000's										
Total gallons produced				574,082	603,884	568,459	523,196	535,136	536,474	750,827
Less: Used for plant operation				(3,334)	(3,649)	(2,271)	(3,305)	(3,956)	(4,666)	(4,000)
Net Production				570,748	600,235	566,188	519,891	531,180	531,808	746,827
O/S Debt @ 6/30/2009										
		Rem debt per amort sched	Base Rate				Rate this yr	Increase (Decrease)	Cost factor for chg in rates	
1999 Capital items	A	12,096	5.98%				4.81%	-1.17%	(142)	
Raw water line	B	307,796	5.98%				4.81%	-1.17%	(3,601)	
Collector well	C	168,940	5.49%				4.81%	-0.68%	(1,149)	
2002 Cap exp	D	28,881	5.28%				4.81%	-0.47%	(136)	
2004 Cap exp	E	24,671	5.01%				4.81%	-0.20%	(49)	
2005 Cap exp	F	489,532	4.24%				4.81%	0.57%	2,790	
Total debt		1,031,916							(2,287)	

FOR Union County Water District
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. 1

Union County Water District
(Name of Utility)

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

_____ SHEET NO. _____

RATES AND CHARGES

5/8" Meter	First	2,000 gallons	\$10.79 minimum bill
	Next	3,000 gallons	5.39 per 1,000 gallons
	Next	5,000 gallons	4.99 per 1,000 gallons
	Next	15,000 gallons	4.64 per 1,000 gallons
	Next	25,000 gallons	1.34 per 1,000 gallons
	Next	50,000 gallons	3.94 per 1,000 gallons
	Next	100,000 gallons	3.54 per 1,000 gallons
	Next	100,000 gallons	3.14 per 1,000 gallons
	All over	300,000 gallons	2.74 per 1,000 gallons
3/4" Meter	First	5,000 gallons	\$26.95 minimum bill
	Next	5,000 gallons	4.99 per 1,000 gallons
	Next	15,000 gallons	4.64 per 1,000 gallons
	Next	25,000 gallons	4.34 per 1,000 gallons
	Next	50,000 gallons	3.94 per 1,000 gallons
	Next	100,000 gallons	3.54 per 1,000 gallons
	Next	100,000 gallons	3.14 per 1,000 gallons
All over	300,000 gallons	2.74 per 1,000 gallons	
1" Meter	First	10,000 gallons	\$51.90 minimum bill
	Next	15,000 gallons	4.64 per 1,000 gallons
	Next	25,000 gallons	4.34 per 1,000 gallons
	Next	50,000 gallons	3.94 per 1,000 gallons
	Next	100,000 gallons	3.54 per 1,000 gallons
	Next	100,000 gallons	3.14 per 1,000 gallons
All over	300,000 gallons	2.74 per 1,000 gallons	

1 1/2" Meter	First	25,000 gallons	\$121.50 minimum bill
	Next	25,000 gallons	4.34 per 1,000 gallons
	Next	50,000 gallons	3.94 per 1,000 gallons
	Next	100,000 gallons	3.54 per 1,000 gallons
	Next	100,000 gallons	3.14 per 1,000 gallons
	All over	300,000 gallons	2.74 per 1,000 gallons
	All over	300,000 gallons	2.74 per 1,000 gallons
2" Meter	First	50,000 gallons	\$230.00 minimum bill
	Next	50,000 gallons	3.94 per 1,000 gallons
	Next	100,000 gallons	3.54 per 1,000 gallons
	Next	100,000 gallons	3.14 per 1,000 gallons
All over	300,000 gallons	2.74 per 1,000 gallons	
2 1/2" Meter	First	75,000 gallons	\$328.49 minimum bill
	Next	25,000 gallons	3.94 per 1,000 gallons
	Next	100,000 gallons	3.54 per 1,000 gallons
	Next	100,000 gallons	3.14 per 1,000 gallons
	All over	300,000 gallons	2.74 per 1,000 gallons
3" Meter	First	100,000 gallons	\$426.99 minimum bill
	Next	100,000 gallons	3.54 per 1,000 gallons
	Next	100,000 gallons	3.14 per 1,000 gallons
	All over	300,000 gallons	2.74 per 1,000 gallons
4" Meter	First	200,000 gallons	\$780.98 minimum bill
	Next	100,000 gallons	3.14 per 1,000 gallons
	All over	300,000 gallons	2.74 per 1,000 gallons
6" Meter	First	300,000 gallons	\$1,094.97 minimum bill
	All over	300,000 gallons	2.74 per 1,000 gallons

DATE OF ISSUE December 23, 2009
Month / Date / Year

DATE EFFECTIVE December 31, 2009
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE Chairman

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