

# PENDLETON COUNTY WATER DISTRICT

P.O. BOX 232, FALMOUTH, KY 41040

(859) 654-6964 FAX (859) 654-7032

Deaf, Hard-of-Hearing or Speech Impaired, call 711

February 17, 2011

RECEIVED

FEB 21 2011

PUBLIC SERVICE  
COMMISSION

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

RE: Formal Application for a Purchased Water Adjustment

To Whom It May Concern:

Enclosed is an original and 10 copies of an application for a purchased water rate adjustment for Pendleton County Water District. The adjustment was necessary to recover an increase in the cost of water attributable to our suppliers' new wholesale rates. A copy of the suppliers' notice of the changed rate showing the effective date of the increase is attached.

The district will publish the enclosed public notice of these requested rate revisions in the local newspapers. 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 and an affidavit verifying publication will be forwarded to you upon publication.

Sincerely,



Rick Adams  
Secretary

RA/cbw

Enclosures

Northern Kentucky  
Water District

January 21, 2011

William Jones.  
Pendleton County Water District  
331 Highway 330 W.  
P.O. Box 232  
Falmouth, KY 41040

Mr. Jones:

We wish to notify you that the Kentucky Public Service Commission has recently granted an order in connection with our Rate Case 2010-00094 in which we were granted an increase that affects the rate you pay for wholesale water purchased from our system. Effective after March 1, 2011, the wholesale rate will go from the current rate of \$2.97 per 1,000 gallons (\$2.22 per 100 cubic feet) to \$3.05 per 1,000 gallons (\$2.28 per 100 cubic feet). This is phase one of a two step process with the second phase becoming effective after January 1, 2012 and the wholesale rate going from \$3.05 per 1,000 gallons (\$2.28 per 100 cubic feet) to \$3.13 per 1,000 gallons (\$2.34 per 100 cubic feet).

Please feel free to call me at 859-426-2758 if you have any questions and we look forward to serving your future needs.

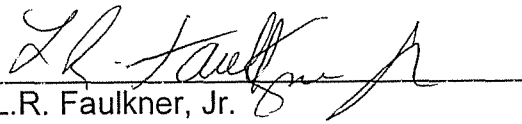
Sincerely,



Jack Bragg, Jr.  
Vice President of Finance

RESOLUTION

Pendleton County Water District Board of Commissioners does hereby resolve to pursue a purchase water adjustment in accordance with the KRS regulations and PSC approval pertaining to a wholesale water rate increase approved for our supplier, Northern Kentucky Water. To be effective upon same date as approved rates of increase to the district.

  
L.R. Faulkner, Jr.  
Chairman

ATTEST:

  
David Boden  
Vice-Chairman

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

|                  |                             |       |  |
|------------------|-----------------------------|-------|--|
| Name of Utility  | Pendleton Co Water District |       |  |
| Date             | 2-17-2011                   |       |  |
| Address          | PO Box 232                  |       |  |
| City, State, Zip | Falmouth KY                 | 41040 |  |
| Telephone Number | 859-654-6964                |       |  |

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.

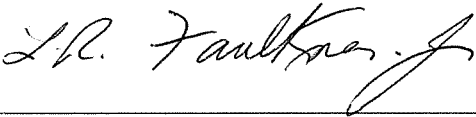
| Supplier(s)                | Base Rate           | Changed Rate        |
|----------------------------|---------------------|---------------------|
| Northern Ky Water District | \$2.97 per thousand | \$3.05 per thousand |
| City of Falmouth           | \$1.98 per thousand | \$1.98 per thousand |
|                            |                     |                     |
|                            |                     |                     |

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 | Jan. 2010        | through | Dec2010          |
|      | (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 |
|---|----------|--|
| Northern Ky Water District  |          | 104,902,552                              |
| City of Falmouth  |          | 61,319,440                               |
|   |          |  |
| <b>TOTAL PURCHASES</b>  |          | 166,221,952                              |
| 4. Total sales for the 12 month period  |          | 146,294,277                              |
| 5. Increased water cost   |          | \$8,392.20                               |
| The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.   |          |  |
| 6. Purchased water adjustment factor  |          | .06                                      |
| The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.  |          |  |
| <b>Note:</b> 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  |          |  |
| Signature of Utility Officer  |          |  |
|    |          | L.R Faulkner Jr.                         |
| Title   | Chairman |  |

FOR Pendleton County, Kentucky  
Community, Town or City

P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Pendleton County Water District  
(Name of Utility)

CONTENTS

5/8" x 3/4" Meter through a 2" Meter

|       |                |         |                   |
|-------|----------------|---------|-------------------|
| First | 2,000 Gallons  | \$20.24 | Minimum Bill      |
| Next  | 3,000 Gallons  | 8.77    | Per 1,000 Gallons |
| Next  | 10,000 Gallons | 8.27    | Per 1,000 Gallons |
| Over  | 15,000 Gallons | 7.17    | per 1,000 Gallons |

Pendleton County High School

|       |                 |          |                   |
|-------|-----------------|----------|-------------------|
| First | 125,000 Gallons | \$917.95 | Minimum Bill      |
| Over  | 125,000 Gallons | 7.17     | per 1,000 Gallons |

Griffin Industries

|       |                 |            |                   |
|-------|-----------------|------------|-------------------|
| First | 400,000 Gallons | \$2,908.80 | Minimum Bill      |
| Over  | 400,000 Gallons | 7.17       | per 1,000 Gallons |

City of Butler

|       |                   |            |                   |
|-------|-------------------|------------|-------------------|
| First | 1,672,917 Gallons | \$5,805.03 | Minimum Bill      |
| Over  | 1,672,917 Gallons | 3.47       | Per 1,000 Gallons |

DATE OF ISSUE \_\_\_\_\_  
Month / Date / Year

DATE EFFECTIVE \_\_\_\_\_  
Month / Date / Year

ISSUED BY *Rich Adams*

TITLE Secretary  
(Signature of Officer)

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