

Original

**REID VILLAGE WATER DISTRICT
903 WINCHESTER RD
P O BOX 610
MT STERLING KY 40353
PHONE 859-498-0062
FAX 859-497-9984**

Jeff Derouen
Executive Director
KY Public Service commission
P O Box 615
Frankfort, KY 40602

RE: Formal Application for a Purchased Water Adjustment

This is an application for a purchased water rate adjustment for the Reid Village Water District. The adjustment is necessary to recover an increase in the cost of water attributable to our supplier's new wholesale rates that will become effective May 01, 2011. The District is seeking to make this effective with the June 1, 2011 billing.

The District's notice will be printed on the bill one month prior to the effective date.

Sincerely,



Rachel Cartmill
Office Manager

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APR 21 2011

PUBLIC SERVICE
COMMISSION

Enclosure

PURCHASED WATER ADJUSTMENT FOR WATER DISTRICTS AND ASSOCIATIONS (807 KAR 5:068)																	
Name of Utility	Reid Village Water District																
Date	April 12, 2011																
Address	903 Winchester Rd																
City, State, Zip	Mt. Sterling	KY 40353															
Telephone Number	859-498-0062																
<p>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.</p> <table border="1"> <thead> <tr> <th>Supplier(s)</th> <th>Base Rate</th> <th>Changed Rate</th> </tr> </thead> <tbody> <tr> <td>Mt. Sterling Water</td> <td>2.07</td> <td>2.34</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>			Supplier(s)	Base Rate	Changed Rate	Mt. Sterling Water	2.07	2.34									
Supplier(s)	Base Rate	Changed Rate															
Mt. Sterling Water	2.07	2.34															
<p>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</p>																	
<p>2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).</p> <table border="1"> <tr> <td>From</td> <td>March 2010</td> <td>through</td> <td>February 2011</td> </tr> <tr> <td></td> <td>(month and year)</td> <td></td> <td>(month and year)</td> </tr> </table>			From	March 2010	through	February 2011		(month and year)		(month and year)							
From	March 2010	through	February 2011														
	(month and year)		(month and year)														
<p>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.</p>																	

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Supplier(s)		Gallons Purchased during 12 month period
Mt. Sterling Water & Sewer		67,669,260
TOTAL PURCHASES		67,669,260
4. Total sales for the 12 month period		64,800,320
5. Increased water cost		\$18,270.70
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.		
6. Purchased water adjustment factor		.29 per 1000 gallons
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		May 01, 2011
		
Signature of Utility Officer		
Chairman of the Board		
Title		

MT. STERLING WATER & SEWER SYSTEM

POST OFFICE BOX 392 - 300 EAST MAIN STREET
MOUNT STERLING, KENTUCKY 40353-0392

March 18, 2011

Rachael Cartmill
Reid Village Water District
P.O. Box 610
Mount Sterling, Kentucky 40353

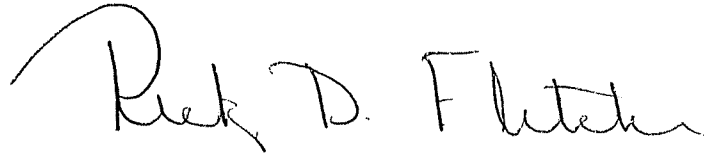
Re: Wholesale Rate Increase

Rachael,

The purpose of this letter is to advise you that our utility, Mt. Sterling Water and Sewer, recently completed a cost of service study, related to both retail and wholesale rates. The results of this study indicated that a rate modification was justifiable. A tariff has been filed with the Public Service Commission (PSC) asking for approval to alter our current wholesale rates from \$2.07/1,000 gallons to \$2.34, an increase of 13 percent. We have requested approval that this increase be effective May 1, 2011, should this increase be approved it will be reflected in the June billing.

This notice is being provided in order to comply with a PSC statute requiring that effected wholesale customers received notice of any increase a minimum of 30 days prior to the implementation of said increase. It is unfortunate that we find it necessary to implement an increase at this time, given the state of our economy. However I hope you will understand that Mt. Sterling has not had a rate increase in three years and during that time period cost have continued to escalate, as I'm sure you are aware. In closing thank you for your understanding and cooperation concerning this matter.

Sincerely,



Rick Fletcher
Manager
Mount Sterling Water and Sewer

FOR REID VILLAGE AREA

PSC KY NO. _____

_____ SHEET NO. _____

REID VILLAGE WATER DISTRICT
(NAME OF UTILITY)

CANCELLING PSC KY NO. _____

_____ SHEET NO. _____

Monthly Water Rates

First 2000 gallons	18.25	Minimum Bill
Next 1000 gallons	5.88	per 1000 gallons
Next 2000 gallons	5.42	per 1000 gallons
Next 5000 gallons	4.95	per 1000 gallons
Over 10000 gallons	4.47	per 1000 gallons

Non-Recurring Charges

Connect Fee	\$20.00
Deposit	\$65.00
Re-connection Charge	\$25.00
Tap On Fee	\$650.00

DATE OF ISSUE MAY 1, 2011
MONTH / DATE / YEAR

DATE EFFECTIVE MAY 1, 2011
MONTH / DATE / YEAR

ISSUED BY _____
SIGNATURE OF OFFICER

TITLE CHAIRMAN

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

REID VILLAGE WATER DISTRICT
903 WINCHESTER RD
P O BOX 610
MT STERLING KY 40353
859-498-0062
MONTHLY MINUTES

Although meetings are normally held quarterly, meeting was called as needed.

DATE: April 19, 2011 TIME: 5:00 Location: 903 Winchester Rd

Those Present: Don Crabtree Calvin Hunt Shannon White
Nick Townsend Earl Markland Rachel Cartmill
George Tackett, Jr.

Guests: None

Field Report: Total meters in place 1120
Rachel reported:

1. Mt. Sterling Water's wholesale rate has increased from 2.07 per 1000 gallons to 2.34 per 1000 gallons. Shannon made the motion to submit application to PSC to adjust our rates to absorb the increase. Don 2nd the motion. Motion Carried. Shannon ask how it would affect the average water bill. Rachel quoted old rate of 34.44, new rate 35.89., based on usage of 5000 gallons. Notice will be printed on the next billing April 30. New rates would reflect on the May 30 billing. (Mailed on June 1)
2. Don has delivered an invitation for bids for new/used fuel efficient work vehicle to Ford, Chevrolet and Dodge dealerships.
3. Rachel presented current gas bill for review.

Motion to Adjourn: Calvin Hunt 2nd Shannon White

Time: 5:35

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00146 DATED JUNE 6, 2008

The following rates and charges are prescribed for the customers in the area served by Reid Village Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	2,000	gallons	\$17.67	Minimum bill
Next	1,000	gallons	5.59	per 1,000 gallons
Next	2,000	gallons	5.13	per 1,000 gallons
Next	5,000	gallons	4.66	per 1,000 gallons
Over	10,000	gallons	4.18	per 1,000 gallons.

Non-Recurring Charges

Connect Fee	\$20.00
Deposit	65.00
Re-connection Charge	25.00
Tap On Fee	650.00