

Green Hills Water District  
P.O. Box 116 Bledsoe, Ky 40810

606-558-3995

Jeff DeRouen  
Executive Director  
KY Public Service Commission  
PO Box 615  
Frankfort, KY 40602

RECEIVED

NOV 4 2011

PUBLIC SERVICE  
COMMISSION

RE: Formal Application for a Purchased Water Adjustment

Dear Mr. DeRouen:

Enclosed is an original and 10 copies of an application for a purchased water rate adjustment for Green Hills Water District. The adjustment is necessary to recover an increase in the cost of water attributable to our supplier's new wholesale rates.

The district will publish the enclosed public notice of the 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 and an affidavit verifying publication will be forwarded to you upon publication.

The District has previously filed income statements and balance sheets with the Public Service Commission. These income statements and balance sheets are currently on file with the Commission.

Sincerely,



enclosure

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

Green Hills Water District  
(Name of Utility)

10-20-11  
(Date)

P.O. Box 116  
(Address)

Bledsoe, Ky. 40810  
(City, State)

606-558-3995  
(Telephone Number)

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.

<u>Supplier(s)</u>	<u>Base Rate</u>	<u>Changed Rate</u>
<u>City of Pineville</u>	<u>\$1.97 / 1,000</u>	<u>\$2.42 / 1,000</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

- 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 10-1-2010 through 9-30-2011  
 (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 Pineville</u>	<u>32,734,000</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<b>TOTAL PURCHASES</b>	<u>32,734,000</u>

4. Total sales for the 12 month period 29,168,182.

5. Increased water cost \$14,730.30.

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

6. Purchased water adjustment factor .51 /1,000  
\_\_\_\_\_.

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 25, 2011.

Rafaela Sumner  
(Signature of Utility Officer)

board member  
(Title)

## NOTICE

Green Hills Water District has filed an application with the Public Service Commission to increase its rates for water service. The proposed effective date of the change is \_\_\_\_\_ November 25, 2011.

	CURRENT RATES		PROPOSED RATES
FIRST 2,000	21.96	Minimum Bill	22.98
NEXT 6,000	8.24	per 1,000 gallons	8.75
OVER 8,000	6.68	per 1,000 gallons	7.19
Leak adjustment Rate	1.75	per 1,000 gallons	2.46
Wholesale Water Rate	2.74	per 1,000 gallons	3.25

Note: Average customer (5,000 gallons) bill will increase from \$46.68 to \$49.23 or 5.5 %.

The rates contained in this notice are the rates proposed by the Green Hills Water District. However, the Public Service Commission may order rates to be charged that are higher or lower than the rates proposed in this notice.

Any corporation, association, body politic, or person may request leave to intervene, by motion within thirty (30) days after notice of the proposed rate change is given. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Public Service Commission, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the motion, including the status and interest of the party movant. Copies of the application may be obtained at no charge from the District office at P.O. Box 116 Bledsoe, Ky 40810. Upon request from an intervenor, the District shall furnish to the intervenor a copy of the application and supporting documents.

FOR Bledsoe, Harlan County, Kentucky  
Community, Town or City

P.S.C. KY. NO. 1

First revised SHEET NO. 4

CANCELLING P.S.C. KY. NO. 1

Original SHEET NO. 4

Green Hills Water District  
(Name of Utility)

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RATES & CHARGES

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A. Green Hills Water District Rate Schedule

First 2,000 Gallons	22.98 Minimum Bill
Next 6,000 Gallons	8.75 per 1,000 gallons
Over 8,000 Gallons	7.19 per 1,000 Gallons

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DATE OF ISSUE

Month / Date / Year

DATE EFFECTIVE

November 25, 2011

Month / Date / Year

ISSUED BY

*Ralph Sumner*  
(Signature of Officer)

TITLE

board member

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO.

DATED \_

FOR Bledsoe, Harlan County, Kentucky  
Community, Town or City

P.S.C. KY. NO. 1

First revised SHEET NO. 8

CANCELLING P.S.C. KY. NO. 1

Original SHEET NO. 8

Green Hills Water District  
(Name of Utility)

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RATES & CHARGES

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E. PURCHASED WATER RATE:

PINEVILLE UTILITIES

\$ 2.42 per 1,000 Gallons

F. Leak Adjustment

\$ 2.46 per 1,000 Gallons

G. Wholesale Water Rate

\$ 3.25 per 1,000 Gallons

DATE OF ISSUE

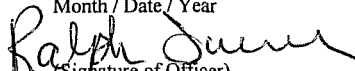
Month / Date / Year

DATE EFFECTIVE

November 25, 2011

Month / Date / Year

ISSUED BY

  
(Signature of Officer)

TITLE

board member

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO.

DATED

**PINEVILLE UTILITY COMMISSION**

P.O Box 277  
PINEVILLE, KENTUCKY 40977  
PHONE (606) 337-6611  
FAX (606) 337-6846

July 11, 2011

Obie York  
Green Hills Water District  
PO Box 116  
Bledsoe, KY 40810

**Re: Proposed Water Rate Increase**

Dear Obie:

Enclosed please find official Notice of Pineville Utility Commission's intent to raise the water rates it charges to its resale customers, including Green Hills Water District.

The proposed rates and increases are as follows:

Current Rate	\$1.97 per 1,000 gallons
Effective September 1, 2011	\$2.42 per 1,000 gallons (23%)
Effective July 1, 2012	\$2.59 per 1,000 gallons (7%)
Effective July 1, 2013	\$2.77 per 1,000 gallons (7%)

The water purchase agreement states that Green Hills Water District will be subject to the same water rate increases as Pineville Utility Commission resident customers. The Pineville City Council ordained a 7% annual water rate increase beginning July 1, 2009 through 2013. The initial increases were not passed on to Green Hills, but costs now require that the rate schedule be brought equal with Pineville customers. I have also enclosed a copy of the Pineville rate schedule that verifies the equality of the increases across Pineville's entire customer base.

A filing is being made with the Public Service Commission for approval of the proposed rate schedule.

Please contact me if you have questions or concerns.

Sincerely,



Bill Bunch  
Manager



The Harlan Daily Enterprise  
P.O. Box 1155 — Harlan, Kentucky 40831  
(606) 573-4510

NOTARIZED PROOF OF ADVERTISING

State of Kentucky  
County of Harlan

Before me, a Notary Public, in and for said County and State, this 31<sup>st</sup> day of  
October, 2011, came Eva Bell, personally known to me,  
who being duly sworn, states as follows: That he/she is Class Ad Mgr, of The  
Harlan Daily Enterprise, and that said publication of Oct. 28, 2011, carries  
the advertising of: Green Hills Water District

Signature: Eva Bell

Notary Public: Alyne Minard

My Commission Expires: 06/19/15

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PUBLIC SERVICE  
COMMISSION

Lifetime Achievement Award  
Healthcare Provider of the Year

Harlan Countian of the Year  
Excellence in Customer Service  
New Business Award

Business of the Year  
50 Years of Business

Nomination Category: \_\_\_\_\_

Business or Individual: \_\_\_\_\_

Reason for Nomination: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Your Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

\*The winner of the \$100 Visa Gift Card will be randomly selected from all of the nominations received by the Chamber prior to November 1<sup>st</sup>, 2011.

100

LEGALS

### NOTICE

258064

Green Hills Water District has filed an application with the Public Service Commission to increase rates for water service and certain special charges. The proposed effective date is November 25, 2011.

#### WATER RATES:

First 2,000 Gallons	\$21.96 Minimum Bill	\$22.98 Minimum Bill
Next 6,000 Gallons	8.24 Per 1,000 Gallons	8.75 Per 1,000 Gallons
Over 8,000 Gallons	6.68 Per 1,000 Gallons	7.19 Per 1,000 Gallons
Leak Adjustment Rate	1.95 Per 1,000 Gallons	2.48 Per 1,000 Gallons
Wholesale Water Rate	2.74 Per 1,000 Gallons	3.25 Per 1,000 Gallons

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#### SPECIAL CHARGES:

Master Connection / Tap-On Charge	\$415.00 Current Charge	\$600.00 Proposed Charge
Reconnection Charge	\$25.00 Current Charge	35.00 Proposed Charge
Reconnection Charge (after hours)		42.50 Proposed Charge

**PUBLIC SERVICE  
COMMISSION**

The average customer water bill including 5,000 gallons of usage will increase from \$45.68 to \$48.23 or 5.5%

This increase in the District water rates is due to an increase in the water rate the District is charged for water purchased from the Pineville Utility Commission.

In addition to the charges listed in this notice, the District is proposing to change the date when the customers payment is due. Customers will have at least 10-days from the date the bills are mailed until payment is due. Payments received after the due date will be assessed a late payment penalty of 10% on the amount of the current month's bill. Customers not paying the bill before the due date will be given a 10-day grace period after the due date before being disconnected. Once service has been disconnected, a \$35.00 reconnection fee will be assessed.

The rates contained in this notice are the rates proposed by Green Hills Water District. However, the Public Service Commission may order rates to be changed that differ from these proposed rates. Such action may result in rates for consumers rather than the rates in this notice.

Any corporation, association, body politic or person may request to intervene, by motion within thirty (30) days after notice of the proposed rate change is given. A motion to intervene shall be in writing and submitted to the Executive Director, Public Service Commission, P.O. Box 615, Frankfort, KY 40602, and shall set forth the grounds for the motion, including the statute and interest of the party movant.

Copies of the application may be obtained at no charge from the District office located at 45 W. Highway 221, P.O. Box 115, Bledsoe, KY 40810, (606) 558-3995. Upon request from an intervenor, the District, shall furnish to the intervenor a copy of the application and supporting documents.