

# WEST DAVIESS COUNTY WATER DISTRICT

3400 Bittel Rd.  
Owensboro, KY 42301  
Phone: (270) 685-5594  
Fax: (270) 683-6324

April 13, 2012

To : Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
211 Sower Blvd  
P.O. Box 615  
Frankfort, KY 40602

RECEIVED

APR 20 2012

PUBLIC SERVICE  
COMMISSION


RE : Purchased Water Rate Adjustment

Mr. Derouen,

By letter dated March 16, 2012, we were notified that our wholesale supplier, Owensboro Municipal Utilities (OMU) will be decreasing their rate charged to us from \$ 1.65 per 1,000 gallons to \$ 1.60 per 1,000 gallons effective June 1, 2012. As a result, we are submitting a purchased water adjustment to adjust for the reduced water cost to the West Daviess County Water District. Pages 1 and 2 is the information requested by the Public Service Commission for the rate adjustment. Pages 3 and 4 is the revised tariff sheets which pertain to the rate decrease. Exhibit A is the before mentioned letter from OMU. Exhibit B is our calculation of how the decrease 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.

If there are any questions, please contact our office.

Sincerely,

  
WILLIAM G. HIGDON  
Manager

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

<b>Name of Utility</b>	WEST DAVIESS COUNTY WATER DISTRICT	
<b>Date</b>	4-13-12	
<b>Address</b>	3400 BITTEL RD	
<b>City, State, Zip</b>	OWENSBORO	KY 42301
<b>Telephone Number</b>	270-685-5594	

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.

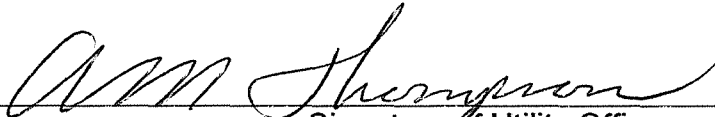

<b>Supplier(s)</b>	<b>Base Rate</b>	<b>Changed Rate</b>
OWENSBORO MUNICIPAL UTILITIES	\$ 1.65 PER 1,000 GALLONS	\$ 1.60 PER 1,000 GALLONS

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the decrease 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).

<b>From</b>	APRIL 2011	<b>through</b>	MARCH 2012
	(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
OWENSBORO MUNICIPAL UTILITIES	454,115,700
<b>TOTAL PURCHASES</b>	454,115,700
4. Total sales for the 12 month period	354,615,960
5. Decreased water cost	\$ 22,705.78
The decreased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$ .06 PER 1,000 GALLONS
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p><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 decreased rates.</p>	
7. Proposed effective date	JUNE 1, 2012
	
Signature of Utility Officer	
	
Title	

FOR West Daviess County, Kentucky  
Community, Town or City

P.S.C. KY. NO. 1

Sheet NO. 1

West Daviess County Water District  
(Name of Utility)

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

Sheet NO. 1

---

**RATES AND CHARGES**

---

**A. MONTHLY RATES:**

Customer Charge

5/8" x 3/4" Meters	\$ 3.25 per month
1" Meters	\$ 4.55 per month
1 1/2" Meters	\$ 5.85 per month
2" Meters	\$ 9.43 per month
3" Meters	\$ 35.75 per month
4" Meters	\$ 45.50 per month
6" Meters	\$ 68.25 per month
8" Meters	\$ 94.25 per month

Usage Charge

First 20,000 gallons	\$ 4.02 per 1,000 gallons
Over 20,000 gallons	\$ 2.94 per 1,000 gallons

---

DATE OF ISSUE April 13, 2012  
Month / Date / Year

DATE EFFECTIVE June 1, 2012  
Month / Date / Year

ISSUED BY   
Signature of Officer

TITLE 

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

FOR West Daviess County, Kentucky  
Community, Town or City

P.S.C. KY. NO. 1

Sheet NO. 5

West Daviess County Water District  
(Name of Utility)

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

Sheet NO. 5

---

RATES AND CHARGES

---

D. PURCHASED WATER RATES:

	<u>Rate</u>
Owensboro Municipal Utilities	\$ 1.60 per 1,000 Gallons

E. WHOLESALE WATER RATES:

	<u>Rate</u>
McLean County Water District	\$ 2.36 per 1,000 Gallons
Beech Grove Water Association	\$ 2.36 per 1,000 Gallons

---

DATE OF ISSUE April 13, 2012  
Month / Date / Year

DATE EFFECTIVE June 1, 2012  
Month / Date / Year

ISSUED BY *Ann Thompson*  
Signature of Officer

TITLE *Bel Chamma*

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



## Exhibit B

	Sales		Gallons Purchased
Apr 2011	29,905,850		31,461,600
May	26,152,660		39,809,600
Jun	38,177,340		44,891,800
Jul	33,194,060		43,498,900
Aug	38,726,150		50,652,300
Sep	35,046,110		37,433,400
Oct	27,659,010		36,142,700
Nov	24,798,080		32,092,200
Dec	23,634,470		32,986,100
Jan 2012	30,662,200		38,019,900
Feb	23,512,500		31,217,600
Mar	23,147,530		35,909,600
	354,615,960		454,115,700

	1.650	
x	0.970	-3.00%
	1.600	

Cost at changed rate

$$454,115,700 \times 1.405 \text{ per } 1,000 \text{ gallons} = \$ 726,585.12$$

Cost at base rate

$$454,115,700 \times 1.373 \text{ per } 1,000 \text{ gallons} = \$ 749,290.91$$

-----  
\$ (22,705.78)

Proposed increase of water rates

$$\begin{array}{rcl}
 \$ (22,705.78) & / & 354,615,960 / 1000 \text{ gallons} \\
 & & = (0.06) \text{ per } 1,000 \text{ gallons}
 \end{array}$$

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 decrease of 6 cents per 1,000 gallons of water effective June 1, 2012. The rate decrease reflects the reduced cost of water purchased from Owensboro Municipal Utilities. The change in rates will decrease the average residential customer's water bill of 5,000 gallons with a ¾ " meter from \$23.65 to \$23.35; a decrease of 1.27%. The following rates are proposed:

First 20,000 gallons.....\$ 4.02

Per 1,000 gallons

Over 20,000 gallons.....\$ 2.94

Per 1,000 gallons

Sales to other water districts.....\$ 2.36

Per 1,000 gallons

Customer charge by meter size:

5/8" x 3/4".....\$ 3.25 per month

1".....\$ 4.55 per month

1 1/2".....\$ 5.85 per month

2".....\$ 9.43 per month

3".....\$ 35.75 per month

4".....\$ 45.50 per month

6".....\$ 68.25 per month

8".....\$ 94.25 per month

WILLIAM G. HIGDON  
MANAGER