

*Muhlenberg County Water District*

P. O. BOX 348  
GREENVILLE, KENTUCKY 42345

RECEIVED

MAR 19 2013

PUBLIC SERVICE  
COMMISSION

March 15, 2013

Public Service Commission  
Jeff R. Derouen  
211 Sower Boulevard  
PO Box 615  
Frankfort, Kentucky, 40602

Dear Mr. Derouen:

Please find enclosed copies of our flow-thru rate case. This is due to Central City Water upgrading their water plant.

If you have any questions my number is 270-338-1300.

Sincerely,

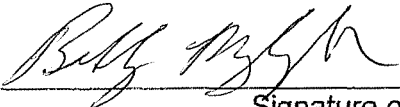
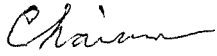


Ronda Hearld  
Muhlenberg Co Water

MAR 19 2013

PUBLIC SERVICE  
COMMISSION

PURCHASED WATER ADJUSTMENT FOR WATER DISTRICTS AND ASSOCIATIONS (807 KAR 5:068)														
Name of Utility	Muhlenberg County Water District													
Date	February 15, 2013													
Address	301 Dean Road													
City, State, Zip	Greenville, KY	42345												
Telephone Number	270-338-1300													
<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" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Supplier(s)</th> <th style="width: 35%;">Base Rate</th> <th style="width: 35%;">Changed Rate</th> </tr> </thead> <tbody> <tr> <td>Central City</td> <td>\$1.57 per 1,000 Gal.</td> <td>\$2.63 per 1,000 Gal</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	Central City	\$1.57 per 1,000 Gal.	\$2.63 per 1,000 Gal						
Supplier(s)	Base Rate	Changed Rate												
Central City	\$1.57 per 1,000 Gal.	\$2.63 per 1,000 Gal												
<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</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" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">From</td> <td style="width: 35%;">January 1, 2012</td> <td style="width: 15%;">through</td> <td style="width: 35%;">December 31, 2012</td> </tr> <tr> <td></td> <td>(month and year)</td> <td></td> <td>(month and year)</td> </tr> </table>			From	January 1, 2012	through	December 31, 2012		(month and year)		(month and year)				
From	January 1, 2012	through	December 31, 2012											
	(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>														

Supplier(s)	Gallons Purchased during 12 month period
Central City	490,135,000
<b>TOTAL PURCHASES</b>	490,135,900
<hr/>	
4. Total gallons sold for the 12 month period	375,553,100
<hr/>	
5. Increased water cost	\$519,544.05
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
<hr/>	
6. Purchased water adjustment factor	\$1.39
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 increased rates.</p>	
<hr/>	
7. Proposed effective date	March 17, 2013
<hr/>	
 Signature of Utility Officer	
 Title	

## NOTICE

The City of Central City ("Central City") has filed a proposed rate schedule with the Public Service Commission which will increase the rate for wholesale water service provided as follows:

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>% Difference</u>
Muhlenberg County Water District	\$1 57 per 1000 gallons	\$2 63 per 1000 gallons	67 5% Increase
Muhlenberg County Water District No 3	\$1 57 per 1000 gallons	\$2 63 per 1000 gallons	67 5% Increase

The proposed effective date is March 17, 2013. Water passing through the meter prior to that date will be billed at \$1 57 per 1,000 gallons. Water passing through the meter on and after March 17, 2013 will be billed at \$2.63 per 1,000 gallons.

The rates contained in this notice are the rates proposed by Central City. However, the Public Service Commission may order rates to be charged that differ from the proposed rate contained in this notice.

A person may, within thirty (30) after notice of the proposed rate change submit a written request to intervene to the Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky, 40602. The written request should establish grounds for the request including the status and interest of the party.

Written comments regarding the proposed rates may be submitted to the Public Service Commission by mail or through the Public Service Commission website.

A person may examine this filing and any other documents the utility has filed with the Public Service Commission at the offices of the Central City Water Department located at 214 North First Street in Central City, Kentucky; telephone 270-754-3232.

This filing and related documents are also available on the Public Service Commission's website located at <http://psc.ky.gov>.

FOR Muhlenberg County, Kentucky

Community, Town or City

P S C KY. NO. 2

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

Muhlenberg County Water District  
(Name of Utility)

CANCELLING P S C. KY. NO. 2

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

Monthly Water Rates

5/8 x 3/4 Inch Meter:

First	2,000	Gallons	\$	25.31	Minimum Bill
Next	8,000	Gallons		8.84	per 1,000 Gallons
Next	10,000	Gallons		8.18	per 1,000 Gallons
Next	30,000	Gallons		7.53	per 1,000 Gallons
Over	50,000	Gallons		6.87	per 1,000 Gallons

1 Inch Meter:

First	5,000	Gallons	\$	51.83	Minimum Bill
Next	5,000	Gallons		8.84	per 1,000 Gallons
Next	10,000	Gallons		8.18	per 1,000 Gallons
Next	30,000	Gallons		7.53	per 1,000 Gallons
Over	50,000	Gallons		6.87	per 1,000 Gallons

1 1/2 Inch Meter:

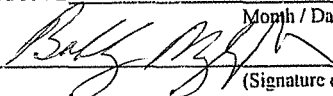
First	11,000	Gallons	\$	104.18	Minimum Bill
Next	9,000	Gallons		8.18	per 1,000 Gallons
Next	30,000	Gallons		7.53	per 1,000 Gallons
Over	50,000	Gallons		6.87	per 1,000 Gallons

2 Inch Meter:

First	16,000	Gallons	\$	145.06	Minimum Bill
Next	4,000	Gallons		8.18	per 1,000 Gallons
Next	30,000	Gallons		7.53	per 1,000 Gallons
Over	50,000	Gallons		6.87	per 1,000 Gallons

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

DATE EFFECTIVE 03/17/2112  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE Chairman

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

FOR Muhlenberg County, Kentucky

Community, Town or City

P S C KY NO. 2

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

Muhlenberg County Water District  
(Name of Utility)

CANCELLING P S C KY NO. 2

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

3 Inch Meter:

First	26,000	Gallons	\$ 222.91	Minimum Bill
Next	24,000	Gallons	7.53	per 1,000 Gallons
Over	50,000	Gallons	6.87	per 1,000 Gallons

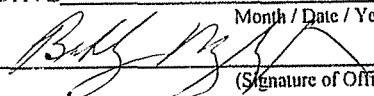
4 Inch Meter:

First	36,000	Gallons	\$ 298.19	Minimum Bill
Next	14,000	Gallons	7.53	per 1,000 Gallons
Over	50,000	Gallons	6.87	per 1,000 Gallons

<u>Wholesale Rate</u>			\$ 5.74	per 1,000 Gallons
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DATE OF ISSUE \_\_\_\_\_  
Month / Date / Year

DATE EFFECTIVE 03/17/2112  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE Chairman

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

## CUSTOMER NOTICE

On March 17, 2013, Muhlenberg County Water District's wholesale water supplier increased the wholesale water rate from \$1.57 to \$2.63 per 1,000 Gallons of water purchased, which increases purchased water expense by \$519,544. Muhlenberg is requesting an increase in its water rates to pass-through this increased cost.

The comparison of the present and proposed rates of the Muhlenberg County Water District is as follows:

User Bracket		Current Rates	PWA Rates	Increase Dollars	Increase Percentage
<u>5/8 x 3/4 Inch Meter:</u>					
First	2,000	\$ 22 53	\$ 25 31	2 780	12.339%
Next	8,000	\$ 7 45	\$ 8 84	1 390	18.658%
Next	10,000	\$ 6.79	\$ 8 18	1 390	20.471%
Next	30,000	\$ 6 14	\$ 7 53	1 390	22.638%
Over	50,000	\$ 5 48	\$ 6 87	1 390	25.365%
<u>1 Inch Meter:</u>					
First	5,000	\$ 44 88	\$ 51 83	6 950	15.486%
Next	5,000	\$ 7 45	\$ 8 84	1 390	18.658%
Next	10,000	\$ 6.79	\$ 8 18	1 390	20.471%
Next	30,000	\$ 6 14	\$ 7 53	1 390	22.638%
Over	50,000	\$ 5 48	\$ 6 87	1 390	25.365%
<u>1 1/2 Inch Meter:</u>					
First	11,000	\$ 88 89	\$ 104.18	15 290	17.201%
Next	9,000	\$ 6 79	\$ 8 18	1 390	20.471%
Next	30,000	\$ 6 14	\$ 7 53	1 390	22.638%
Over	50,000	\$ 5 48	\$ 6 87	1 390	25.365%
<u>2 Inch Meter:</u>					
First	16,000	\$ 122 82	\$ 145 06	22 240	18.108%
Next	4,000	\$ 6 79	\$ 8 18	1 390	20.471%
Next	30,000	\$ 6 14	\$ 7 53	1 390	22.638%
Over	50,000	\$ 5 48	\$ 6 87	1.390	25.365%
<u>3 Inch Meter:</u>					
First	26,000	\$ 186 77	\$ 222 91	36 140	19.350%
Next	24,000	\$ 6 14	\$ 7 53	1 390	22.638%
Over	50,000	\$ 5 48	\$ 6 87	1 390	25.365%
<u>4 Inch Meter:</u>					
First	36,000	\$ 248 15	\$ 298 19	50 040	20.165%
Next	14,000	\$ 6 14	\$ 7 53	1.390	22.638%
Over	50,000	\$ 5 48	\$ 6 87	1.390	25.365%
Wholesale Rate		\$ 4 35	\$ 5 74	1 390	31.954%

The rates contained in this notice are the rates proposed by the Muhlenberg County Water District; however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Utility: Muhlenberg County Water District  
 Workpaper: PWA Requested Rates

Purchased Water Adjustment Factor \$ 1 390 per 1,000 Gallons

User Bracket		Current Rates	PWA Factor	Requested Rates
<b><u>5/8 x 3/4 Inch Meter:</u></b>				
First	2,000	\$ 22 53	2 78	\$ 25 31
Next	8,000	\$ 7 45	1 39	\$ 8 84
Next	10,000	\$ 6 79	1 39	\$ 8 18
Next	30,000	\$ 6 14	1 39	\$ 7 53
Over	50,000	\$ 5 48	1 39	\$ 6 87
<b><u>1 Inch Meter:</u></b>				
First	5,000	\$ 44 88	6 95	\$ 51 83
Next	5,000	\$ 7 45	1 39	\$ 8 84
Next	10,000	\$ 6 79	1 39	\$ 8 18
Next	30,000	\$ 6 14	1 39	\$ 7 53
Over	50,000	\$ 5 48	1 39	\$ 6 87
<b><u>1 1/2 Inch Meter:</u></b>				
First	11,000	\$ 88 89	15 29	\$ 104 18
Next	9,000	\$ 6 79	1 39	\$ 8 18
Next	30,000	\$ 6 14	1 39	\$ 7 53
Over	50,000	\$ 5 48	1 39	\$ 6 87
<b><u>2 Inch Meter:</u></b>				
First	16,000	\$ 122 82	22 24	\$ 145 06
Next	4,000	\$ 6 79	1 39	\$ 8 18
Next	30,000	\$ 6 14	1 39	\$ 7 53
Over	50,000	\$ 5 48	1 39	\$ 6 87
<b><u>3 Inch Meter:</u></b>				
First	26,000	\$ 186 77	36 14	\$ 222 91
Next	24,000	\$ 6 14	1 39	\$ 7 53
Over	50,000	\$ 5 48	1 39	\$ 6 87
<b><u>4 Inch Meter:</u></b>				
First	36,000	\$ 248 15	50 04	\$ 298 19
Next	14,000	\$ 6 14	1 39	\$ 7 53
Over	50,000	\$ 5 48	1 39	\$ 6 87
<b><u>Wholesale Rate</u></b>				
		\$ 4 35	1 39	\$ 5 74



	<u>Base Rate</u>	<u>Changed Rate</u>
Supplier - Central City	\$ 1.57 per 1,000 Gallons	\$ 2.63 per 1,000 Gallons
Gallons Purchased - Central City		490,135,900
Total Gallons Sold		375,553,100

Increased Water Cost:

Gallons Purchased - Central City	490,135,900
Multiplied by: Increase in Wholesale Rate	\$ 1.06 per 1,000 Gallons
Total Increased Cost of Purchased Water	<u>\$ 519,544.05</u>

Purchased Water Adjustment Factor:

Total Increased Cost of Purchased Water	\$ 519,544.05
Divided by: Test-Period Gallons Sold	375,553,100
Purchased Water Adjustment Factor	<u>\$ 1.39 per 1,000 Gallons</u>

Any corporation, association, or person with a substantial interest in the matter may submit a written request to intervene to the Public Service Commission at the address shown below. Copies of the application may be obtained at no charge by contacting Muhlenberg County Water District at the address below. Any person may examine the rate application and any other filings at the offices of Muhlenberg County Water District or the Public Service Commission.

Muhlenberg County Water District  
301 Dean Road  
Greenville, Kentucky 42345

Telephone: 270-338-1300

Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40602  
Telephone: 502-564-3940

Persons may also view and download a copy of the purchased water adjustment application through the Public Service Commission's website at [psc.ky.gov](http://psc.ky.gov).