

RECEIVED

MAR 29 2013

PUBLIC SERVICE  
COMMISSION

Public Service Commission of Kentucky  
730 Schenkel Lane  
PO Box 615  
Frankfort, Kentucky 40602

Dear Sirs::

Pursuant to KRS 278.012 and 278.015 we respectfully submit the enclosed application for a Purchased Water Rate Adjustment.

Sincerely,

A handwritten signature in black ink that reads "Don Garrett". The signature is written in a cursive style with a large, looped initial "D".

Don Garrett  
Chairman

SG/sg  
Attachments

March 26,2013

Office of Attorney General  
700 Capitol Avenue, Suite 118  
Frankfort, KY 40601

Dear Sir:

**RE: Formal Application for Pass through rate increase**

This filing shall serve notice that Muhlenberg County Water District No. 3 has filed an application with the Public Service commission to revise its rate schedule to reflect a pass through rate increase from our supplier.

Muhlenberg County Water District No. 3 is requesting a rate increase at this time. Application is attached.

The District will publish a public notice of this requested rate increase in the local newspaper for three consecutive weeks. You will find a copy of this publication notice enclosed.

Yours truly,

Muhlenberg County Water District No. 3

Enclosure

# M - E - M - O

Please run the following legal announcement in the next three week's papers.

## NOTICE TO ALL CUSTOMERS OF MUHLENBERG COUNTY

**Date:** 03/19/2013

**From:** Sandra Gary

Muhlenberg County Water District No.3

**To:** Leader News

**Re:** Rate Increase

### WATER DISTRICT NO. 3

Muhlenberg County Water District No. 3 has received notice of the new rate to be charged for wholesale water purchases from the City of Central City effective March 18, 2013. The new rate to be charged is \$2.63 per thousand gallons. Prior to this increase the rate charged was \$1.57 per thousand gallons.

Pursuant to the provision of 807KAR 5:068, Muhlenberg County Water District No. 3 has applied for approval from the Public Service Commission of Kentucky under Case No. TFS2013-00192 for a Purchased Water Rate Adjustment. New rates charged to customers of Muhlenberg County Water District No. 3 effective April 17, 2013 shall incorporate the above increase and will be reflected in all future billings. The new rates set forth are as follows:

Number of Gallons of Water Per Month Monthly Charge

Residential/Commercial

First 2,000 gallons	\$17.10 (Minimum Charge)
Next 8,000 gallons	4.70 per 1,000 gallons
Next 10,000 gallons	4.38 per 1,000 gallons
Next 30,000 gallons	3.96 per 1,000 gallons
All over 50,000 gallons	3.64 per 1,000 gallons

MUHLENBERG COUNTY WATER DISTRICT NO. 3

BY: DON GARRETT, CHAIRMAN



March 18, 2013

The Commission of Muhlenberg County Water District No. 3 had a meeting on March 18, 2013 at 7:00 P.M. in the water office in Bremen, Kentucky with the following present:

Commission:  
Chairman: Don Garrett  
Sec/Treas Robert Woodburn  
Doug Anderson  
Ben Tooley  
And Sandra Gary

Doug Anderson offered the opening prayer and Don Garrett opened the meeting.

The minutes were read Robert Woodburn made a motion to accept the minutes, financial statements and paid bills. Doug Anderson seconded the motion. The motion carried.

Ben Tooley reported all meters had been GPS.

Sandra Gary reported the Caudill claim had been settled for \$13,000. KACo will pay \$12,500 and the water district will pay \$500.

Don Garrett reported the water loss was 17.6% for the month and 17.6% for the year.

Doug Anderson made a motion the commissioners go into closed session to discuss employee raises. Robert Woodburn seconded the motion. The motion carried.

Doug Anderson made a motion the commissioners go out of closed session. Robert Woodburn seconded the motion. Doug Anderson made a motion all employees be given a \$.45 per hour raise effective April 1, 2013. Robert Woodburn seconded the motion. The motion carried.

Robert Woodburn made a motion the PSC report be accepted and forwarded to the PSC. Doug Anderson seconded the motion. The motion carried.

Robert Woodburn made a motion the request for a pass through rate increase be submitted to the Public Service Commission. Doug Anderson seconded the motion. The motion carried.

The commissioners approved Don, Doug, Sandy and Cindy attend the PSC training in April 2013.

Don Garrett made a motion the monthly meeting be changed to the third Monday at 4pm. Beginning in April. Doug Anderson seconded the motion. The motion carried.

Ben Tooley reported Dell Harris of KRWA will be at the water office on Thursday March 21 to help locate the leak in the Hwy 81 levy.

No other business coming before the Commission, Chairman Garrett adjourned the meeting.

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Secretary-Treasurer

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

Name of Utility	<i>Mohlenberg County Water Dist #3</i>	
Date	<i>2-19-2013</i>	
Address	<i>PO Box 76</i>	
City, State, Zip	<i>Bremen Ky</i>	<i>42325</i>
Telephone Number	<i>270-525-6333</i>	

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.

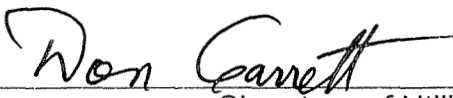
Supplier(s)	Base Rate	Changed Rate
<i>Central City Municipal Water</i>	<i>1.57</i>	<i>2.63</i>

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	<i>February 2012</i>	through	<i>January 2013</i>
	(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
<i>Municipal Water &amp; Sewer (Central City)</i>	<i>273039000</i>
<b>TOTAL PURCHASES</b>	
4. Total gallons sold for the 12 month period	<i>229353900</i>
5. Increased water cost	<i>289421.34</i>
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	<i>12.6%</i>
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>	
7. Proposed effective date	<i>April 17, 2013</i>
	
Signature of Utility Officer	
<i>Chairman</i>	
Title	

Form for filing Rate Schedules

FOR Northern Muhlenberg County  
Community, Town or City

P.S.C. KY. NO. 089

SHEET NO. 1

Muhlenberg County Water Dist. #3

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

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

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CLASSIFICATION OF SERVICE

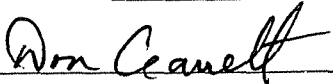
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MONTHLY WATER RATES

First 2,000 Gallons	\$17.10 Minimum Bill
Next 8,000 Gallons	4.70 per 1,000 Gallons
Next 10,000 Gallons	4.38 per 1,000 Gallons
Next 30,000 Gallons	3.96 per 1,000 Gallons
Over 50,000 Gallons	3.64 per 1,000 Gallons

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Date of Issue March 18, 2013 Date Effective April 17, 2013

Issued By Don Garrett   
Title Chairman

Issued by authority of an Order of the Public Service commission of Kentucky in Case

No. \_\_\_\_\_ dated \_\_\_\_\_.

# City of Central City

214 North First Street  
Central City, KY 42330

BARRY SHAVER, Mayor  
DAVID G RHOADES, City Administrator

Telephone 270-754-5097  
270-754-2336  
FAX 270-754-5745

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February 15, 2013

Mr. Don Garrett  
Muhlenberg County Water District No. 3  
P. O. Box 67  
Bremen, Kentucky 42325

RE: Effective Date of Contract and Water Rate Increase

Dear Mr. Garrett:

In accordance with the water purchase agreement dated June 20, 2011 we are hereby providing notice that the effective date of the contract will be March 17, 2013. As of that date, water purchased under the agreement will be charged at the contract rate of \$2.63 per thousand gallons.

We appreciate the positive relationship that our systems have enjoyed over the years, and we look forward to continuing to serve you in the future.

Sincerely,

CITY OF CENTRAL CITY



David Rhoades  
City Administrator



## 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 270-754-3066.

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

Steve L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment Cabinet



David L. Armstrong  
Chairman

James Gardner  
Vice Chairman

Linda Breathitt  
Commissioner

Commonwealth of Kentucky  
**Public Service Commission**

211 Sower Blvd.  
P.O. Box 615  
Frankfort Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

March 15, 2013

Mike McGhee  
Central City Municipal Water Sewer  
208 N. First Street  
P.O. Box 430  
Central City, KY 42330

RE: Filing No. **TFS2013-00131**  
Increases Wholesale Rates to Muhlenberg County Water District No.3.

Dear Mike McGhee:

The above referenced filing has been received and reviewed. An accepted copy is enclosed for your files. You may also use the following link to access documents related to this filing.

<http://psc.ky.gov/trf/TRFListFilings.aspx?ID=TFS2013-00131>

Sincerely,

  
Dennis Brent Kirtley  
Tariff Review Branch Manager

FOR Central City, Kentucky  
Name of Municipality

P.S.C. KY. NO. 1

2nd Revised SHEET NO. 1

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

1st Revised SHEET NO. 1

City of Central City, Kentucky  
(Name of Municipal Utility)

**RATES AND CHARGES**

**MONTHLY WHOLESALE WATER RATE:**

Muhlenberg County Water District

\$2.63 Per 1,000 Gallons

Muhlenberg County Water District No. 3

\$2.63 Per 1,000 Gallons

NOTE: This tariff revises the previous rate of \$1.57 per 1,000 gallons.

DATE OF ISSUE <u>February 15, 2013</u> Month / Date / Year	<b>KENTUCKY</b> PUBLIC SERVICE COMMISSION <b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR TARIFF BRANCH <i>Brent Hatley</i> EFFECTIVE <b>3/17/2013</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
DATE EFFECTIVE <u>March 17, 2013</u> Month / Date / Year	
ISSUED BY <u><i>[Signature]</i></u> (Signature of Officer)	
TITLE <u>City Administrator</u>	
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION	
IN CASE NO. <u>N/A</u> DATED <u>N/A</u>	

PURCHASED WATER ADJUSTMENT - WATER DISTRICTS & ASSOCIATIONS

Filing Requirements Checklist

(Applicable Authority: KRS 278.012; KRS 278.015; 807 KAR 5.068)

Case No. \_\_\_\_\_ Applicant Name Mullenberg Laundry Received Date \_\_\_\_\_ Form Circulation Date \_\_\_\_\_  
Water Dist #3

Instructions:

- 1) Each division noted by checkmark ( ) is to complete its review and pass on within two days of receipt.
- 2) This form is to list only the specific filing deficiencies as identified in the regulations. If additional information is needed, an information request must be issued.
- 3) Staff member should use initials and list date review is completed.
- 4) Return to Docket Section following review by all divisions.

Reviewed by following Divisions:

Date

Staff Member

Filings  
 Financial Analysis \_\_\_\_\_

Division Responsible      Law/Regulation      Filing Requirement

Financial Analysis      807 KAR 5.068: Section 3

Satisfactorily completed application form:  
 Name of all wholesale suppliers and the base rate and changed rate of each.

Copy of supplier's notice of the changed rate and the effective date. (or reference to PSC Order approving the supplier's rate adjustment)

Twelve month period upon which purchased water adjustment is based.

Total gallons of water purchased from each supplier during a twelve month period ending within 90 days of the effective date of rate adjustment.

	Requirement Met		Waiver Requested		Approve Waiver?	
	Yes	No	Yes	No	Yes	No

Division Responsible

Law/Regulation

Filing Requirement

Requirement Met

Waiver Requested

Approve Waiver?

Total gallons sold for the same twelve months.

Revised tariff sheets showing revised rates to be charged and the effective date of the new rates.

Financial Analysis

Section 3(1)

Application must contain information sufficient to determine the accurateness of the calculations of the PWA.

	Yes	No		Yes	No

Suggested documents (but not required to complete filing):

A copy of the resolution of the water district board of commissioners or water association board of directors approving the rate adjustment due to supplier's increase.