

DAMON R. TALLEY, P.S.C.

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Damon R. Talley

Attorney At Law

August 29, 2013

Mr. Jeff Derouen
Executive Director
Public Service Commission
PO Box 615
Frankfort, KY 40602

RECEIVED
AUG 30 2013
PUBLIC SERVICE
COMMISSION

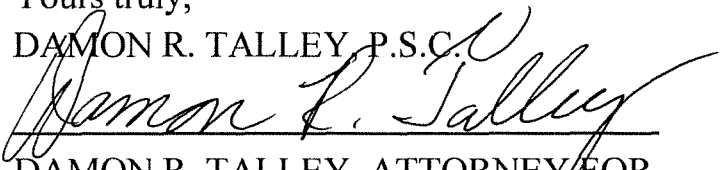
RE: LaRue County Water District No. 1
Purchased Water Adjustment

Dear Mr. Derouen:

Enclosed for filing are the original and ten (10) copies of the Application for a Purchased Water Adjustment (PWA) of the LaRue County Water District No. 1.

Attached as **Exhibit 5** to the PWA Application is the Customer Notice which will be published in the local newspaper prior to the rendering of the first bill at the increased rate.

Should you need any additional information, please let me know.

Yours truly,
DAMON R. TALLEY, P.S.C.

DAMON R. TALLEY, ATTORNEY FOR
Larue County Water District No. 1

DRT:ms

Enclosures

cc: LaRue County Water District No. 1

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

Name of Utility	LaRue County Water District No. 1	RECEIVED AUG 30 2013
Date	August 29, 2010	
Address	6215 North L & N Turnpike	PUBLIC SERVICE COMMISSION
City, State, Zip	Buffalo, KY 42716	
Telephone Number	270-325-3242	

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
City of Bardstown	\$1.70 per 1,000 gallons	\$2.00 per 1,000 gallons
City of Hodgenville	\$1.98 per 1,000 gallons	Unchanged
Green River Valley Water District	\$2.14 per 1,000 gallons	Unchanged
City of Campbellsville	\$1.97 per 1,000 gallons	Unchanged
Green-Taylor Water District	\$2.55 per 1,000 gallons	Unchanged

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as **Exhibit 1** (PSC TFS 2013-00517).

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	August 2012	through	July 2013
	(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. See **Exhibit 2**.

Supplier(s)	Gallons Purchased during 12 month period
City of Bardstown	46,702,130
City of Hodgenville	39,894,080
Green River Valley Water District	82,981,770
City of Campbellsville	6,469,900
Green-Taylor Water District	3,155,960
TOTAL PURCHASES	179,203,840 Gallons

4. Total sales (see Exhibit 3) for the 12 month period	157,236,250 Gallons
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5. Increased water cost	\$14,011
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The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.

6. Purchased water adjustment factor	\$0.09 per 1,000 Gallons
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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. See **Exhibit 4** for revised tariff sheet. The Public Notice is attached as **Exhibit 5**.

7. Proposed effective date

September 1, 2013

JOHN MAURICE DETRE



Signature of Utility Officer

Title: CHAIRMAN

**A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE LARUE COUNTY WATER DISTRICT NO. 1
ADJUSTING WATER RATES AND CHARGES
TO OFFSET THE CITY OF BARDSTOWN'S
WHOLESALE RATE INCREASE**

WHEREAS, the City of Bardstown (“Bardstown”) is one of the LaRue County Water District No. 1’s (“District”) primary wholesale water providers;

WHEREAS, on July 11, 2013, Bardstown filed an application with the Kentucky Public Service Commission (“PSC”) seeking to increase its wholesale water rate from \$1.70 to \$2.00 per 1,000 gallons (See PSC TFS 2013-00517), effective September 1, 2013;

WHEREAS, based upon the water purchases from Bardstown during the previous 12 months, the annual increased cost to the District will be approximately **\$ 14,011**;

WHEREAS, prudent financial management dictates that the District take immediate action to adjust its retail rates commensurate with Bardstown’s wholesale rate increase; and

WHEREAS, KRS 278.015 and 807 KAR 5:068 provide the legal mechanism for the District to increase its water rates commensurate with Bardstown’s wholesale rate increase via a Purchased Water Adjustment (“PWA”);

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF LARUE COUNTY WATER DISTRICT NO. 1 AS FOLLOWS:

Section 1. The facts, recitals, and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution.

Section 2. The PWA factor is \$ 0.09 per 1,000 gallons;

Section 3. All tiers of all meter sizes of the District's existing tariff shall be increased by \$ 0.09 per 1,000 gallons, effective September 1, 2013, subject to any minor adjustment that may be made by the PSC.

Section 4. The monthly water rates to be charged to and collected from the customers and users of the water system (the "System") of the District shall be as set forth in **Appendix A**, which is attached hereto and is incorporated herein by reference as a part of this Resolution. These monthly rates and charges shall be in effect for all water service rendered on and after September 1, 2013.

Section 5. The Chairman is hereby authorized and directed to execute and file the PWA Application, Tariff Sheet, and all other documents that may be required by the PSC.

Section 6. The Chairman, all appropriate District Staff, and the District's attorney are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement the PWA.

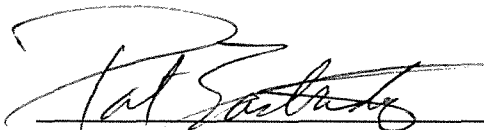
Section 7. This Resolution shall take effect upon its adoption.

ADOPTED BY THE COMMISSION OF LARUE COUNTY WATER DISTRICT NO. 1 at a meeting held on August 12, 2013, signed by the Chairman, and attested by the Secretary.

ATTEST:



CHAIRMAN

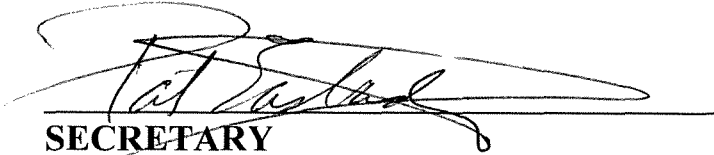


SECRETARY

CERTIFICATION

I, Secretary of the LaRue County Water District No. 1 (the "District"), do hereby certify that the foregoing is a true copy of a Resolution duly adopted by the Commission of the District at a meeting properly held on August 12, 2013, signed by the Chairman of the Commission, attested by me as Secretary, and now in full force and effect.

WITNESS my hand this 12th day of August, 2013.



SECRETARY

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. _____

Tenth Revised SHEET NO. 1

LaRue County Water District No. 1.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

Ninth Revised SHEET NO. 1

RATES AND CHARGES

Monthly Water Rates

5/8" x 3/4" Meter

First	1,000 gallons	\$12.89 Minimum Bill
Next	4,000 gallons	5.79 per 1,000 gallons
Next	5,000 gallons	5.14 per 1,000 gallons
Over	10,000 gallons	4.14 per 1,000 gallons

3/4" Meter

First	3,000 gallons	\$24.47 Minimum Bill
Next	2,000 gallons	5.79 per 1,000 gallons
Next	5,000 gallons	5.14 per 1,000 gallons
Over	10,000 gallons	4.14 per 1,000 gallons

1" Meter

First	5,000 gallons	\$36.05 Minimum Bill
Next	5,000 gallons	5.14 per 1,000 gallons
Over	10,000 gallons	4.14 per 1,000 gallons

1 1/2" Meter

First	10,000 gallons	\$61.75 Minimum Bill
Over	10,000 gallons	4.14 per 1,000 gallons

2" Meter

First	20,000 gallons	\$103.15 Minimum Bill
Over	20,000 gallons	4.14 per 1,000 gallons

DATE OF ISSUE August 12, 2013
Month / Date / Year

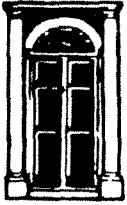
DATE EFFECTIVE September 1, 2013
Month / Date / Year

ISSUED BY John M. Detre
(Signature of Officer)

TITLE CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____



OLD KENTUCKY HOME
DOORWAY

City of Bardstovon

WILLIAM S. SHECKLES, MAYOR
220 N. 5TH ST.
BARDSTOWN, KENTUCKY 40004
TEL. NO. 502/348-5947
FAX. NO. 502/348-2433



ART TREASURES IN
ST. JOSEPH CATHEDRAL

July 8, 2013

Mr. Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

RECEIVED

JUL 11 2013

PUBLIC SERVICE
COMMISSION

RE: Wholesale Water Rate Adjustment for North Nelson &
Larue County #1 Water Districts

Dear Mr. Derouen:

Please consider this as the 30-day notice required for the City of Bardstovon in order to modify its wholesale water rate for service to North Nelson Water District and Larue County Water District #1.

Both water districts were notified of the increase via a document hand delivered on June 10, 2013. A copy of the notice is enclosed. The rate was approved in City Ordinance Number 2013-12.

Enclosed is a proposed tariff sheet with an effective date of September 1, 2013 for October billing. The new rate was determined by cost of service calculations performed by the City of Bardstovon staff.

Thank you for your assistance with this matter.

Sincerely:

Lawrence A. Hamilton, P.E.
Director of Public Works & Engineering
City of Bardstovon
220 N. Fifth Street
Bardstovon, KY 40004

Enclosure

NOTICE:

The City of Bardstown ("Bardstown") has filed a proposed rate schedule with the Public Service Commission which will increase the rate for water service provided North Nelson Water District and Larue County Water District #1 as follows:

<u>Current Rate</u>	<u>Proposed Rate</u>	<u>\$ Difference</u>	<u>% Difference</u>
\$1.70 per 1,000 gallons	\$2.00 per 1,000 gallons	\$0.30 per 1,000 gallons	17.6% Increase

The proposed effective date is September 1, 2013. Water flowing through the meter(s) before the effective date will be charged at the current rate. Water flowing through the meter(s) on and after the effective date will be charged at the new proposed rate.

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

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. The motion shall be submitted to the Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, and shall set forth the grounds for the request including the status and interest of the party. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Intervenors may obtain copies of the rate application and testimony by visiting the office located at 220 North Fifth Street in Bardstown, Kentucky; telephone (502) 348-5947.

Any person may examine the rate application and testimony by visiting the office located at 220 North Fifth Street in Bardstown, Kentucky or by contacting the Public Service Commission at 211 Sower Boulevard in Frankfort, Kentucky; telephone 502-564-3940.

EXHIBIT 2 WATER PURCHASES

(1)	(2)	(3)	(4)	(5)	(6)	(7)
MONTH	SUPPLIER					TOTALS
	Green River Valley Water District	Hodgenville	Bardstown	Campbellsville	Green-Taylor Water District	
Aug. 2012	7,604,600	4,012,780	4,461,850	491,400	296,700	16,867,330
Sep. 2012	7,872,500	3,828,700	4,107,960	550,700	222,400	16,582,260
Oct. 2012	6,683,100	3,640,400	4,375,430	630,700	414,500	15,744,130
Nov. 2012	6,798,700	3,670,100	3,654,780	514,600	208,800	14,846,980
Dec. 2012	6,297,500	2,975,700	3,173,530	420,600	195,100	13,062,430
Jan. 2013	6,773,600	2,908,400	3,492,270	365,600	185,300	13,725,170
Feb. 2013	7,104,300	3,149,800	4,060,170	431,700	286,300	15,032,270
Mar. 2013	5,618,100	2,696,700	3,424,860	417,300	288,700	12,445,660
Apr. 2013	6,079,070	3,074,300	3,389,450	366,600	227,200	13,136,620
May 2013	7,055,500	2,982,200	4,049,490	645,800	242,000	14,974,990
Jun. 2013	7,794,900	3,489,200	4,260,680	914,300	298,660	16,757,740
Jul. 2013	7,299,900	3,465,800	4,251,660	720,600	290,300	16,028,260
TOTALS	82,981,770	39,894,080	46,702,130	6,469,900	3,155,960	179,203,840

EXHIBIT 2

WATER SALES

(1) MONTH	(2) GALLONS SOLD
Aug. 2012	14,847,910
Sep. 2012	11,656,710
Oct. 2012	13,797,050
Nov. 2012	12,901,470
Dec. 2012	11,394,610
Jan. 2013	12,673,210
Feb. 2013	13,232,570
Mar. 2013	11,263,350
Apr. 2013	11,830,470
May 2013	13,700,030
Jun. 2013	15,319,390
Jul. 2013	14,619,480
TOTAL	157,236,250

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. _____

Tenth Revised _____ SHEET NO. 1

LaRue County Water District No. 1.
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

Ninth Revised SHEET NO. 1

RATES AND CHARGES

Monthly Water Rates

5/8" x 3/4" Meter

First	1,000 gallons	\$12.89 Minimum Bill
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1" Meter

First	5,000 gallons	\$36.05 Minimum Bill
Next	5,000 gallons	5.14 per 1,000 gallons
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1 1/2" Meter

First	10,000 gallons	\$61.75 Minimum Bill
Over	10,000 gallons	4.14 per 1,000 gallons

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First	20,000 gallons	\$103.15 Minimum Bill
Over	20,000 gallons	4.14 per 1,000 gallons

DATE OF ISSUE August 12, 2013
Month / Date / Year

DATE EFFECTIVE September 1, 2013
Month / Date / Year

ISSUED BY John M. Detre
(Signature of Officer)

TITLE CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

CUSTOMER NOTICE

Due to a rate increase from the City of Bardstown, notice is hereby given that the LaRue County Water District No. 1 has filed an application for a Purchased Water Adjustment with the Kentucky Public Service Commission for adjusting its water rates. Customer rates will increase by \$0.09 per 1,000 gallons used. The proposed change will be effective for service rendered on and after September 1, 2013.

Monthly Water Rates

	Current Rates	Proposed Rates
5/8" x 3/4" Meter		
First 1,000 gallons	\$12.80 Minimum Bill	\$12.89 Minimum Bill
Next 4,000 gallons	5.70 per 1,000 gallons	5.79 per 1,000 gallons
Next 5,000 gallons	5.05 per 1,000 gallons	5.14 per 1,000 gallons
Over 10,000 gallons	4.05 per 1,000 gallons	4.14 per 1,000 gallons
3/4" Meter		
First 3,000 gallons	\$24.20 Minimum Bill	\$24.47 Minimum Bill
Next 2,000 gallons	5.70 per 1,000 gallons	5.79 per 1,000 gallons
Next 5,000 gallons	5.05 per 1,000 gallons	5.14 per 1,000 gallons
Over 10,000 gallons	4.05 per 1,000 gallons	4.14 per 1,000 gallons
1" Meter		
First 5,000 gallons	\$35.60 Minimum Bill	\$36.05 Minimum Bill
Next 5,000 gallons	5.05 per 1,000 gallons	5.14 per 1,000 gallons
Over 10,000 gallons	4.05 per 1,000 gallons	4.14 per 1,000 gallons
1 1/2" Meter		
First 10,000 gallons	\$60.85 Minimum Bill	\$61.75 Minimum Bill
Over 10,000 gallons	4.05 per 1,000 gallons	4.14 per 1,000 gallons
2" Meter		
First 20,000 gallons	\$101.35 Minimum Bill	\$103.15 Minimum Bill
Over 20,000 gallons	4.05 per 1,000 gallons	4.14 per 1,000 gallons

The monthly bill for a residential customer using an average of 5,000 gallons per month will increase from \$35.60 to \$36.05. This is an increase of \$0.45 or 1.3%.

The rates contained in this notice are the rates proposed by LaRue County Water District No. 1. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates shown in this notice.

LaRue County Water District No. 1 has available for inspection at its office the application which it submitted to the Public Service Commission. LaRue County Water District No. 1's office is located at 6215 North L & N Turnpike, Buffalo, KY 42716. You may contact the office at 270-325-3242.