

McKinney Water District
2900 KY HWY 198
PO BOX 7
McKinney, KY. 40448
606-346-2220
Assn72dist65@newwavecomm.net

RECEIVED

DEC 15 2014

PUBLIC SERVICE
COMMISSION

December 9, 2014


Public Service Commission
ATT: Purchased Water Adjustment
PO Box 615
Frankfort, Ky. 40602-0615

TO WHOM IT MAY CONCERN:

Enclosed is the McKinney Water District's "Purchased Water Adjustment" application. This is due to the City of Stanford's rate increase.

If I have failed to include any information which is needed to complete this application or if you find an error in my calculations, please call me at 606-346-2220.

Thank you for your help in completing this application.

Sincerely

NICKI BASTIN
CLERK

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

RECEIVED

DEC 15 2014

PUBLIC SERVICE
COMMISSION

Name of Utility	McKinney Water District		
Date	November 11, 2014		
Address	2900 Ky Hwy 198, P.O. Box 7		
City, State, Zip	McKinney, Kentucky	40448	
Telephone Number	606-346-2220		
Email Address	Assn72dist65@newwavecomm.net		

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.

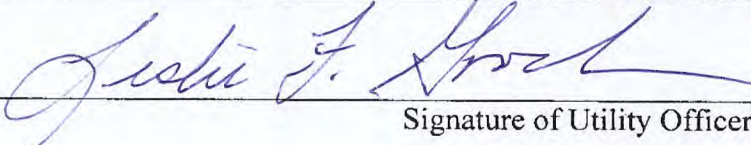
Supplier(s)	Base Rate	Changed Rate
City of Stanford Waterworks	\$2.49 per 1,000 gallons	\$2.80 per 1,000 gallons
Eubank Water System	No Increase	No Increase

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit D-1

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	October 2013	through	September 2014
	(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
City of Stanford Waterworks	99,320,000
City of Eubank Water System	27,389,900
TOTAL PURCHASES	126,709,900
4. Total gallons sold for the 12 month period	88,065,800
5. Increased water cost	30,789
<p>The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Exhibit A-1, A-2, and A-3</p>	
6. Purchased water adjustment factor	.35/1000
<p>The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.</p>	
<p>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.</p>	
7. A schedule listing the current and proposed rates is attached as Exhibit B-1 and B-2	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit C-1	
9. Proposed effective date	December 15, 2014
	
Signature of Utility Officer	
Chairman	
Title	

McKinney Water District
Purchased Water Adjustment
Exhibit A-1

Gallons purchased from City of Stanford Waterworks - October 2013 to September 2014	99,320,000
Difference between City of Stanford Waterworks Base Rate and Changed Rate per 1,000 gallons	<u>0.31</u>
Increased Water Cost	<u>\$ 30,789</u>

	Stanford 2013 Cost	Purchased Gallons	Eubank Cost	Purchased Gallons
October	\$ 18,418.53	7,397,000	\$ 9,607.30	2,333,000
November	\$ 13,926.57	5,593,000	\$ 11,086.58	2,693,800
December	\$ 13,610.34	5,466,000	\$ 9,882.00	2,400,000
2014				
January	\$ 18,057.48	7,252,000	\$ 8,062.42	1,956,200
February	\$ 24,303.60	9,675,000	\$ 9,511.36	2,309,600
March	\$ 23,122.14	9,286,000	\$ 8,516.70	2,067,000
April	\$ 19,255.17	7,733,000	\$ 8,157.13	1,979,300
May	\$ 24,994.62	10,038,000	\$ 7,490.47	1,816,700
June	\$ 25,744.11	10,339,000	\$ 8,739.74	2,121,400
July	\$ 25,410.45	10,205,000	\$ 11,504.37	2,795,700
August	\$ 21,907.02	8,798,000	\$ 11,813.92	2,871,200
September	\$ 18,769.62	7,538,000	\$ 8,430.60	2,046,000
TOTAL	\$ 247,519.65	99,320,000	\$ 112,802.59	27,389,900

Combined	Totals	
Stanford	cost	gallons
Stanford	\$ 247,519.65	99,320,000
Eubank	\$ 112,802.59	27,389,900
TOTALS	\$ 360,322.24	126,709,900

Exhibit A-2
Gallons Purchased

MCKINNEY WATER DISTRICT

GALLONS SOLD

2013	STANFORD	EUBANK	<u>TOTAL</u>
OCTOBER	5,361,800	1,599,900	6,961,700
NOVEMBER	5,189,700	1,662,400	6,852,100
DECEMBER	4,702,400	1,526,900	6,229,300
2014			
JANUARY	5,759,700	1,807,700	7,567,400
FEBRUARY	6,110,800	1,914,500	8,025,300
MARCH	4,864,300	1,516,000	6,380,300
APRIL	5,088,700	1,553,300	6,642,000
MAY	5,553,300	1,830,000	7,383,300
JUNE	5,998,600	1,961,500	7,960,100
JULY	6,429,200	1,886,300	8,315,500
AUGUST	6,343,900	1,923,300	8,267,200
SEPTEMBER	5,701,300	1,780,300	7,481,600
<u>TOTAL</u>	67,103,700	20,962,100	88,065,800

Exhibit A-3
Gallons Sold

McKinney Water District _____
(NAME OF UTILITY)

Monthly Water Rates

Current Rate

Proposed Rate

5/8" X 3/4" meter

First 1,000 gallons	\$13.02 minimum bill	\$13.37 minimum bill
Next 2,000 gallons	\$7.81 per 1,000 gallons	\$8.16 per 1,000 gallons
Next 7,000 gallons	\$6.48 per 1,000 gallons	\$6.83 per 1,000 gallons
Over 10,000 gallons	\$5.84 per 1,000 gallons	\$6.19 per 1,000 gallons

DATE OF ISSUE _____ November 11, 2014 _____
MONTH / DATE / YEAR

DATE EFFECTIVE _____ December 15, 2014 _____
MONTH / DATE / YEAR

ISSUED BY _____  _____
SIGNATURE OF OFFICER

TITLE _____ Chairman _____

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

FOR Lincoln & Casey Counties _____

PSC KY NO. _____ 1 _____

7th Revised _____ SHEET NO. _____ 20 _____

CANCELLING PSC KY NO. _____ 1 _____

6th Revised _____ SHEET NO. _____ 20 _____

McKinney Water District _____
(NAME OF UTILITY)

Monthly Water Rates

Current Rate

Proposed Rate

1" meter

First 5,000 gallons	\$41.60 minimum bill	\$43.35 minimum bill
Next 5,000 gallons	\$6.48 per 1,000 gallons	\$6.83 per 1,000 gallons
Over 10,000 gallons	\$5.84 per 1,000 gallons	\$6.19 per 1,000 gallons

2" meter

First 20,000 gallons	\$132.40 minimum bill	\$139.40 minimum bill
Over 20,000 gallons	\$5.84 per 1,000 gallons	\$6.19 per 1,000 gallons

DATE OF ISSUE _____ November 11, 2014 _____
MONTH / DATE / YEAR

DATE EFFECTIVE _____ December 15, 2014 _____
MONTH / DATE / YEAR

ISSUED BY _____  _____
SIGNATURE OF OFFICER

TITLE _____ Chairman _____

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

November 14, 2014

PRESENT: Les Gooch, Delmas Petrey, Bobby Hasty, Matt Rankin, Mike Reed, Mark Reed,
Lonnie Brown, Nicki Bastin, and Donna Yocum

ABSENT: None

VISITORS: None

The meeting was called to order by Chairman, Les Gooch.

The minutes from previous meeting were reviewed, Delmas made motion to approve, Bobby seconded the motion, motion carried.

The October 2014 Financial Statements, had been reviewed after previous meeting, Bobby made motion to approve, Matt seconded the motion, motion carried.

Danny Coffman's Labor bill of \$1230.00, was presented for approval of payment, Delmas made motion to pay, Matt seconded the motion, motion carried.

Lonnie Brown's gas bill of \$313.58, was presented for approval of payment, Bobby made motion to pay, Mike seconded the motion, motion carried.

Wet or Dry Inc., bill of \$8544.00, was presented for approval of payment, Mike made motion to pay, Delmas seconded the motion, motion carried.

Resolution, to approve purchased water rate increase, Delmas made motion, Mike seconded the motion, motion carried.

Proposed budget for 2015, was presented for approval, Delmas made motion, Mike seconded the motion, motion carried.

Discussed Water Loss of 17.2%.

Mark stated Mr. Miller at Ottenheim was sent a bill for hitting main line, he wanted to request to make payments, on this, Mike made motion to approve, Delmas seconded the motion, motion carried.

Discussion about Boneyville Slide, will not do anything at this time.

Mark discussed violation from DOW, needed to get a #, before sending in.

New Pump Station, still need to get telemetry.

Contract with Stanford, still needs to be signed.

Discussion about complaints coming in about meter readers.

There was no more business, Bobby made motion to adjourn, Mike seconded the motion, motion carried.

NOTICE:

The City of Stanford ("Stanford") is providing notice that it plans to file with the Public Service Commission, on or before August 25, 2014, to increase its wholesale rate to McKinney Water District effective for water service on and after September 25, 2014. The proposed rates are as follows:

<u>Current Rate</u>	<u>Proposed Rate</u>	<u>\$ Difference</u>	<u>% Difference</u>
\$2.49 per 1,000 gallons	\$2.80 per 1,000 gallons	\$0.31 per 1,000 gallons	12.4% Increase

Water flowing through the meter(s) before the effective date will be charged at the current rates while water flowing through the meter(s) on and after the effective date will be charged at the new rates.

In accordance with Public Service Commission procedures, the effective date of the new rates cannot be prior to the expiration of a 30-day notice given to both the Commission and McKinney Water District.

This filing may be examined at the offices of Stanford located at 842 East Main Street in Stanford, Kentucky.

The filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday – Friday from 8:00 am – 4:30 pm or on the PSC website at <http://psc.ky.gov>.

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602; or through its website at <http://psc.ky.gov>.

The new rates are the rates proposed by Stanford in its filing but the Public Service Commission may order rates that differ from the proposed rates.

Intervention may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602. The request for intervention must establish the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filing.

FOR McKinney, Lincoln County, Kentucky
Name of Municipality

P.S.C. KY. NO. _____

SHEET NO. _____

City of Stanford
(Name of Municipal Utility)

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

SHEET NO. _____

RATES AND CHARGES

MONTHLY WHOLESALE WATER RATE:

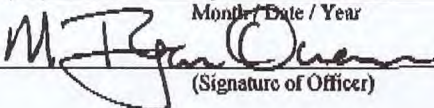
McKinney Water District

\$2.80 Per 1,000 Gallons

NOTE: This tariff revises the previous rate of \$2.49 per 1,000 gallons.

DATE OF ISSUE August 8, 2014
Month / Date / Year

DATE EFFECTIVE September 25, 2014
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE General Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. N/A DATED N/A