



RECEIVED

JAN 21 2015

PUBLIC SERVICE
COMMISSION

January 16, 2015

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

RE: Purchase Water Adjustment for Judy Water Association

Dear Executive Director:

Judy Water Association has received notification from one of its suppliers (Mount Sterling Water and Sewer) of increases to water rates. Please find enclosed 1 (one) original and 10 (ten) copies of the proper documentation to file for a purchase water adjustment. Judy Water Association has requested a proposed effective date of January 20, 2015, because that is the date in which meters will be read.

All income sheets and balance statements are current and on file with the PSC. If you have any additional questions, I can be contacted at 859-398-1009.

Thank you.

A handwritten signature in black ink, appearing to read "Billy Ray Fawns", written over a horizontal line.

Billy Ray Fawns
Manager

2010 Maysville Road, PO Box 781, Mt. Sterling, KY 40353-0781
(859) 498-4809 Telephone & FAX
E-Mail - judyh20@adelphia.net

RECEIVED

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

JAN 21 2015
PUBLIC SERVICE
COMMISSION

Name of Utility	JUDY WATER ASSOCIATION	
Date	12-16-2015	
Address	P.O. BOX 781	
City, State, Zip	MOUNT STERLING, KY	40353
Telephone Number	859-498-4809	

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
MT. STERLING WATER	2.46 PER THOUSAND	2.77 PER THOUSAND
CITY OF NORTH MIDDLETOWN	4.77 PER THOUSAND (FIRST 2 MILLION) 4.87 PER THOUSAND (OVER 2 MILLION)	NO CHANGE

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	JANUARY 2014	through	DECEMBER 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

Supplier(s)	Gallons Purchased during 12 month period
MT. STERLING WATER	116,180,000
CITY OF NORTH MIDDLETOWN	24,000,000 (4.77) 13,260,000 (4.87)
TOTAL PURCHASES	153,440,000
4. Total gallons sold for the 12 month period	135,308,100
5. Increased water cost	\$36,016
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	.27
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<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. 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	JANUARY 20, 2015
	
Signature of Utility Officer	
MANAGER	
Title	

FOR Montgomery, Clark, Bourbon, and Bath _____
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Judy Water Association
(Name of Utility)

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

_____ SHEET NO. _____

RATES AND CHARGES

RATE SCHEDULE

<u>First 1,000 gallons</u>	<u>OLD \$12.56 NEW \$12.83 Minimum bill</u>
<u>Next 4,000 gallons</u>	<u>OLD \$8.19 NEW \$8.46 per 1,000 gallons</u>
<u>Next 5,000 gallons</u>	<u>OLD \$7.29 NEW \$7.56 per 1,000 gallons</u>
<u>Over 10,000 gallons</u>	<u>OLD \$6.39 NEW \$6.66 per 1,000 gallons</u>

A \$16.77 surcharge will be added to the bills of customers on the Bourbon County Waterline Extension.
Therefore, the minimum bill for those customers will be \$29.60 (12.83 + 16.77 = 29.60)

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

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

MT. STERLING WATER & SEWER SYSTEM

POST OFFICE BOX 392 - 300 EAST MAIN STREET
MOUNT STERLING, KENTUCKY 40353-0392

June 19, 2014

Billy Ray Fawns
Judy Water Association
P.O. Box 781
Mount Sterling, Kentucky 40353

Re: Wholesale Rate Increase

Billy,

The purpose of this letter is to advise you that our utility, Mt. Sterling Water and Sewer (Mt. Sterling), will soon request approval from the Public Service Commission (PSC) to raise wholesale water rates charged to water districts/associations. This increase is based on both a Rate and Cost of Service study which was recently completed on our behalf, by a Louisville based company, Norbourne and Associates. The driving factor behind what prompted this study was the fact that Mt. Sterling has struggled to keep up with not only expenditures, but the depreciation of fixed assets as well. Being in the utility business yourself, I'm sure you can appreciate the fact that keeping up with rising costs are a struggle not to mention the enormous cost associated the upkeep and replacement of aging infrastructure. Although this study indicated a much greater increase was justifiable, 29.23%, after much debate and deliberation an increase of 12.6% was approved by our water and sewer board at our June 16th meeting. A rate modification request will soon be filed with the PSC, which will include a tariff asking for approval to alter our current wholesale rates from \$2.46/1,000 gallons to \$2.77. We have requested approval that this increase be effective August 1, 2014, should this increase be approved it will be reflected in the September billing.

This notice is being provided in order to comply with a PSC statute requiring that effected wholesale customers receive notice of any increase a minimum of 30 days prior to the implementation of said increase. Also included is a notice from PSC related to this request. In closing, thank you for your understanding as well as your cooperation concerning this matter, should you have questions or comments please contact me at (859) 498-0166.

Sincerely,



Rick Fletcher
Manager
Mount Sterling Water and Sewer

NOTICE

Mt. Sterling Water & Sewer System ("Mt. Sterling") is providing notice that it plans to file with the Public Service Commission, on or before July 1, 2014, to increase the wholesale rates it charges effective for water service on and after August 1, 2014. The proposed rates are as follows:

	<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change</u>	<u>% Change</u>
Levee Road Water Association	\$2.46 per 1,000 gallons	\$2.77 per 1,000 gallons	\$0.31 Increase	12.6% Increase
Reid Village Water District	\$2.46 per 1,000 gallons	\$2.77 per 1,000 gallons	\$0.31 Increase	12.6% Increase
Montgomery County Water District	\$2.46 per 1,000 gallons	\$2.77 per 1,000 gallons	\$0.31 Increase	12.6% Increase
Judy Water Association	\$2.46 per 1,000 gallons	\$2.77 per 1,000 gallons	\$0.31 Increase	12.6% Increase
Bath County Water District	\$2.46 per 1,000 gallons	\$2.77 per 1,000 gallons	\$0.31 Increase	12.6% 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 Mt. Sterling's wholesale customers.

This filing may be examined at the offices of Mt. Sterling located at 300 East Main Street in Mt. Sterling, Kentucky.

This 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 KY 40602; or through its website at <http://psc.ky.gov>.

The new rates are the rates proposed by Mt. Sterling 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, KY 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.

**MINUTES OF MONTHLY MEETING
BOARD OF DIRECTORS
JUDY WATER ASSOCIATION**

The regular meeting of the Judy Water Association was held at the Judy Water Office, 2010 Maysville Road on January 8th, ²⁰¹⁵, at 5:30 p.m. Directors present were Larry Lee, Carl Hartgrove and Greg Williamson. Manager Billy Ray Fawns was also present.

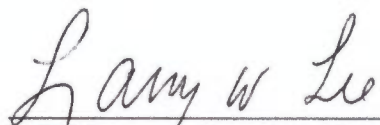
1. Minutes of the December meeting were submitted, Hartgrove moved to approve Williamson seconded, all present voted yes.
2. Financial report was given, Williamson moved Lee seconded to approve the report, all present voted yes.
3. Motion by Lee seconded by Hartgrove to approve payment of monthly bills, all present voted yes.
4. Motion by Williamson, seconded by Hartgrove to approve the December credit card bill all present voted yes.

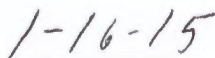
OLD BUSINESS

- Update given on Rt. 11 relocation.
- Update on water loss.

NEW BUSINESS

- A motion was made by Larry Lee and 2nd by Greg Williamson to file a Purchase Water Adjustment with the Public Service Commission. This PWA will reflect a recent increase by Mount Sterling Water. Mount Sterling Water increased wholesale rates by .31 per thousand. All members were in favor.
- The next meeting will be held on February 12th, 5:30 at the office.
- Carl Hartgrove made a motion to Larry Lee 2nd the motion. "Meeting Adjourned"


Larry Lee / Secretary/Treasurer


Date