

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

RECEIVED

JUL 8 2015

Name of Utility	Kirksville Water Association	
Date	June 17, 2015	
Address	P.O. Box 670	
City, State, Zip	Richmond, KY	40476-0670
Telephone Number	859-624-1735	

PUBLIC SERVICE  
COMMISSION

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.

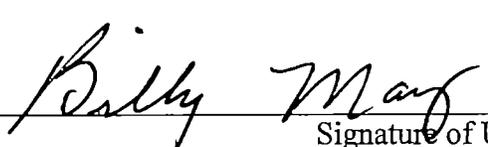
Supplier(s)	Base Rate	Changed Rate
Richmond Utilities	\$2.31626 per 100 cf	\$2,35332 per 100 cf
KY River Authority	\$0.134 per 100 cf	\$0.134 per 100 cf
Total	\$2.45026 per 100 cf	\$2.48732 per 100 cf

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

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	June 2014	through	May 2015
	(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
Richmond Utilities	109,306,736
TOTAL PURCHASES	109,306,736
4. Total gallons sold for the 12 month period	90,799,840
5. Increased water cost	\$5,415.66
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.06 per 1000 gallons
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. <del>Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</del> <b>***No longer required***</b></p>	
7. Proposed effective date	July 1, 2015
	
Signature of Utility Officer	
(Billy May) President	
Title	

FOR Richmond, Madison County, Kentucky  
Area Served

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

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

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

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

Richmond Utilities  
(Name of Municipal Utility)

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RATES AND CHARGES

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MONTHLY WHOLESALE WATER RATE:

Madison County Utility District  
&  
Kirksville Water Association

\$2.35332 per 100 cubic feet

\*Contract for service and sale of water

Kentucky River Authority Withdrawal Fee:

Tier I Fee	\$0.017 per 100 cubic feet
Tier II Fee	<u>\$0.097</u> per 100 cubic feet
Sub-Total	\$0.114 per 100 cubic feet
Adjustment to recover the full cost of the KRA Fee	<u>\$0.020</u> per 100 cubic feet
Total	<u>\$0.134</u> per 100 cubic feet

NOTE: This page revises the water usage rate. The Kentucky River Authority Withdrawal Fee was revised and became effective on July 1, 2013. Adjustment to recover full cost revised July 1, 2014.

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DATE OF ISSUE May 15, 2015  
Month / Date / Year

DATE EFFECTIVE July 1, 2015  
Month / Date / Year

ISSUED BY W S Aust  
(Signature of Officer)

TITLE General Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. n/a DATED n/a

# Richmond Utilities

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PO BOX 700  
Richmond, KY 40475  
859-623-2323

May 15, 2015

## NOTICE

Richmond Utilities is providing notice that on May 15, 2015, it filed with the Public Service Commission to increase the wholesale rate it charges Kirksville Water Association and Madison County Utility District effective for water service on and after July 1, 2015. The proposed rates are as follows:

	<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change</u>	<u>% Change</u>
Kirksville Water Association	\$2.31626 per 100 cubic feet	\$2.35332 per 100 cubic feet	\$0.03706 Increase	1.6% Increase
Madison County Utility District	\$2.31626 per 100 cubic feet	\$2.35332 per 100 cubic feet	\$0.03706 Increase	1.6% 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 the Commission, Kirksville Water Association and Madison County Utility District.

This filing may be examined at the offices of Richmond Utilities located at 300 Hallie Irvine Street in Richmond, 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 Richmond Utilities 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.

# Richmond Utilities

300 Hallie Irvine St.  
PO BOX 700 – Richmond, KY 40476-0700  
(859) 623-2323 – Office  
(859) 624-0805 – Fax

May 15, 2015

Madison County Utility District  
Attn: Jim Carr/John Clark  
PO BOX 670  
Richmond, KY 40476-0670

Dear Jim/John/MCUD Board

## NOTICE

Richmond Utilities ("RU") has filed a proposed rate schedule which will increase the rate for water service provided as follows:

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>% Difference</u>
Kirksville Water Association	\$2.31626/100 Cu Ft	\$2.35332/100 Cu Ft	1.6 % Increase
Madison County Utility District	\$2.31626/100 Cu Ft	\$2.35332/100 Cu Ft	1.6% Increase

The proposed effective date is July 1, 2015, usage on or after this date.

The rates contained in this notice are the rates proposed by RU. 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. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Any person who has been granted intervention by the Public Service Commission may obtain copies of the rate application and any other filings made by RU by contacting Scott Althausser at the offices of RU, 300 Hallie Irvine Street in Richmond, Kentucky: telephone 859-623-2323.

Any person may examine the rate application and other filings made by RU by visiting the offices of RU at 300 Hallie Irvine Street or by contacting the Public Service Commission at 211 Sower Boulevard in Frankfort, Kentucky; telephone 502-564-3940.

Sincerely,



Scott Althausser  
General Manager

Cc: Greg Puckett, Counsel  
Madison County Fiscal Court

Kirksville Water Association  
 2014 Water Purchase/Sold Summary

Time Period	Water Purchased	Water Sold	Dollar Amt of Water Sales
<del>1/2/14 - 2/3/14</del>	<del>11,068,904</del>	<del>8,696,370</del>	<del>\$83,777.88</del>
<del>2/3/14 - 3/4/14</del>	<del>9,474,168</del>	<del>6,415,040</del>	<del>\$59,916.54</del>
<del>3/7/14 - 4/1/14</del>	<del>7,419,412</del>	<del>6,365,930</del>	<del>\$57,896.75</del>
<del>4/1/14 - 5/1/14</del>	<del>8,189,852</del>	<del>7,885,410</del>	<del>\$68,140.75</del>
5/1/14 - 6/2/14	9,965,604	7,120,930	\$62,438.86
6/2/14 - 7/1/14	9,382,912	8,864,040	\$74,324.70
7/21/14 - 8/1/14	10,269,292	9,737,950	\$81,371.14
8/1/14 - 9/3/14	10,119,692	7,630,260	\$66,239.73
9/3/14 - 10/1/14	9,367,952	7,731,030	\$67,224.34
10/1/14 - 11/3/14	9,587,864	8,086,050	\$69,689.09
11/3/14 - 12/1/14	7,811,364	6,657,600	\$60,156.76
12/1/14 - 1/2/15	8,811,440	7,112,390	\$63,721.61
Subtotal	75,316,120	62,940,250	\$ 545,166.23

2015 Water Purchase/Sold Summary

Time Period	Water Purchased	Water Sold	Dollar Amt of Water Sales
1/2/15 - 2/2/15	9,427,792	6,706,210	\$60,407.50
2/2/15 - 3/2/15	8,418,740	8,157,040	\$70,252.06
3/2/15 - 4/1/15	8,528,696	5,417,650	\$51,592.83
4/1/15 - 5/1/15	7,615,388	7,578,690	\$66,518.08
Subtotal	33,990,616	27,859,590	\$248,770.47
Total	109,306,736	90,799,840	\$ 793,936.70

**Exhibit #3**

**KWA Calculations**

5. Increased Water Cost:

\$2.45026/100 cu ft to \$2.48732/100 cu ft

109,306,736 gals / 7.48 = 14,613,2001 cu.ft.

14,613,200 cu.ft. x \$2.48732/100 cu ft = \$363,477.05

14,613,200 cu.ft. x \$ 2.45026/100 cu ft = \$358,061.39

**\$5,415.66 Increased Water Purchase Cost**

6. Purchase Water Adjustment Factor:

\$5,415.66 / 90,799,840 gallons

= \$0.0596 per 1,000 gallons

**= \$0.06 per 1,000 gallons**

## Exhibit 4

### Kirksville Water Rates

		<u>Existing</u>	<u>Proposed</u>	
First	2,000 gallons	\$17.64	\$17.76	Minimum Bill
Next	3,000 gallons	\$8.50	\$8.56	per 1,000 gallons
Next	5,000 gallons	\$7.16	\$7.22	per 1,000 gallons
Over	10,000 gallons	\$6.05	\$6.11	per 1,000 gallons

## RESOLUTION FOR PASS THRU RATE INCREASE

### Kirksville Water Association

WHEREAS Kirksville Water Association proposes to raise their water rates to offset an increase in their wholesale purchase rates from Richmond Utilities.

NOW THEREFORE BE IT RESOLVED by the Commissioners of Kirksville Water Association that Billy May, President is authorized to execute and submit an application to the Kentucky Public Service Commission to raise the Kirksville Water Rates by \$0.06 per 1000 gallons.

Adopted this 17<sup>th</sup> day of June, 2014



Billy May, President

Kirksville Water Association

Attest: 

Bobby Powell, Manager

## **List of Exhibits**

Exhibit #1 – Suppliers Notice

Exhibit #2 – Gallons Purchased / Sold (5/1/14 to 4/30/15)

Exhibit #3 – Calculations

Exhibit #4 – Proposed Billing Rates

Exhibit #5 -- Resolution

RECEIVED  
5-15-15

# Richmond Utilities

300 Hallie Irvine St.  
PO BOX 700 – Richmond, KY 40476-0700  
(859) 623-2323 – Office  
(859) 624-0805 – Fax

May 15, 2015

Public Service Commission  
Attn: Tariff Review Branch Manager  
211 Sower Blvd.  
PO Box 615  
Frankfort, KY 40602-0615

Dear Mr. Kirtley:

In accordance with KRS 278.180 and Public Service Commission Regulation 807 KAR 5:001, Richmond Utilities formally asks for approval of the wholesale rates that have been enacted by the Contract for Service and Sale of Water with the Richmond Utilities Board. These rates will be effective July 1, 2015 for the following wholesale customers:

1. Madison County Utility District
2. Kirksville Water Association

A copy of the following documentation is attached for your review:

1. PSC required rate schedules
2. Public Utility Customer Notification
3. Contract for Service and Sale of Water (on file)

Thank you in advance for your consideration of our request. If there are any questions, please contact me at (859) 623-2323.

Sincerely,



W. Scott Althaus  
General Manager

cc: Greg Puckett, Counsel

807 KAR 5:068. Purchased Water Adjustment for Water Districts & Water Associations.

Section 1(1). "Application" means:

- X A completed Purchased Water Adjustment Form 1
  
- X A schedule listing current and proposed rates
  
- X A copy of the supplier's notice showing a change in the supplier's base rate
  
- X The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation
  
- X A copy of the resolution or other document of the utility's governing body authorizing the proposed rates

- ~~If the applicant is a water district and proposes to increase any of its rates for service, a statement from an authorized official of the district indicating the date its proposed rate adjustment was reported to the governing body of the county in which the largest number of its customers reside and the date it presented testimony, or is scheduled to present testimony~~

**\*\*\*No longer required\*\*\***