

Rubin & Hays

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CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT

July 8, 2016

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JUL 11 2016

Public Service
Commission

Mr. Aaron Greenwell
Deputy Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Fountain Run Water District NO. 1 PSC Case No. 2016-00229

Dear Mr. Greenwell:

Pursuant to 807 KAR 5:069, Section 3(3)(b), enclosed please find the Affidavit of Publication and Tearsheet relating to the Notice of Proposed Rate Change of the Fountain Run Water District No. 1.

If you need any additional information or documentation, please let us know.

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:jlm
Enclosures

Tompkinsville News

CELEBRATING 110 YEARS OF SERVICE TO MONROE COUNTY

AFFIDAVIT OF PUBLICATION OF

The Tompkinsville News

I, Carolyn Jordan, hereby certify that I am the Manager of Finances of the Tompkinsville News, and that said newspaper is the newspaper having the largest bona fide circulation which is published in the City of Tompkinsville, Monroe County, Kentucky, and that said newspaper is meeting the requirements of Sections 424.110 and 424.120 of the Kentucky Revised Statutes for official publications required to be made by the

Tompkinsville News

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I certify that the attached copy of:

JUL 11 2016

The Tompkinsville News

Public Service Commission

is a true copy of said Notice as published in said newspaper on the following date(s):

6/30/16

IN TESTIMONY WHEREOF, witness my signature this 30 day of June, 2016.

TOMPKINSVILLE NEWS

By: B. Bradstreet

Subscribed and sworn to before me on this 30 day of June, 2016.

My commission expires: 11-21-2019

Ledeana Creech
NOTARY PUBLIC
(Ledeana Creech)

NOTICE OF PROPOSED RATE CHANGE

In accordance with the requirements of the Kentucky Public Service Commission ("PSC") as set out in 807 KAR 5:069, Section 3, notice is hereby given to the customers of the Fountain Run Water District No. 1 ("District") of a change in sewer rates for users of the District's sewer system. The changes in sewer rates are required by the U.S. Department of Agriculture, acting through Rural Development ("RD") in connection with a loan by RD to the District in the principal amount of \$133,000 to be evidenced by the issuance by the District of its waterworks and sewer revenue bonds in such amount, which RD has agreed to purchase provided the District meets certain conditions of RD, including revising the sewer rates as set forth below (the existing water rates will not change):

Current Monthly Sewer Rates

\$18.80 flat rate

Proposed Monthly Sewer Rates

<u>All Meters</u>	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>% Change</u>
First 1,000 gallons	\$22.00 Minimum Bill	\$3.20	17%
Over 1,000 gallons	2.00 per 1,000 gallons		

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The proposed monthly sewer rates shall be effective for water sold after the date of the final approving Order of the PSC, which Order is expected to be issued no later than 30 days of the filing of the Application. The amount of average sewer usage (based on water usage) for all customers in the calendar year 2015 was 3,300 gallons per month thus generating an average monthly sewer billing based on current rates of \$18.80. The proposed monthly sewer rates will increase the average monthly sewer billing to \$26.60 for an impact of \$7.80 or 41%. The Application for approval of the rate change has been filed with the PSC and may be examined during normal business hours at the following locations: (i) Fountain Run Water District No. 1 Office, 226 Main Street, Fountain Run, KY 42133; (ii) PSC, 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., E.T.; and (iii) via the PSC website at <http://psc.ky.gov>. Comments regarding the Application may be submitted to the PSC via its website or by mail to PSC, P.O. Box 615, Frankfort, Kentucky 40602.

The proposed rates are required under the terms of an agreement between the District and RD and KRS 278.023 does not grant the PSC any discretionary authority to modify or reject any portion of the agreement between the District and RD, or to defer the issuance of all necessary orders to implement the terms of the agreement. The RD loan proceeds will be used in conjunction with a \$74,000 RD grant and a \$218,000 ARC grant to finance the cost of upgrading and replacing of the existing pump stations and the installation of approximately 925 linear feet of small diameter gravity sewer line. Signed: Joe Cornwell, Chairman, Fountain Run Water District No. 1.