

SOUTH ANDERSON WATER DISTRICT

P. O. BOX 17, 142 SOUTH MAIN STREET
LAWRENCEBURG, KY 40342
502-839-6919

RECEIVED

December 15, 2016

DEC 20 2016

Commonwealth of Kentucky
Public Service Commission
Tariff Review Branch
P. O. Box 615
Frankfort, Kentucky 40601

Public Service
Commission

RE: Purchase Water Adjustment Request

Dear Sirs:

Transmitted herewith are the original and 10 copies of a request to adjust the District's rates to cover the recent rate increase imposed by the Frankfort Plant Board. Also attached is a revised RATES AND CHARGES tariff sheet issued by the chair.

If there are any questions please contact either the District or our engineer, Ken Taylor with Kenvirons, Inc. at 502 695 4357.

Sincerely,



Eddie Stevens
Chairman

Attachments

cc: North Mercer Water District

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

Name of Utility	South Anderson Water District	
Date	December 8, 2016	
Address	P. O. Box 17 142 Main Street	
City, State, Zip	Lawrenceburg, KY 40342	
Telephone Number	502-839-6919	
Email Address	districts@bellsouth.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
Frankfort Plt. Board	2.35 per 1,000 gals.	2.45 per 1,000 gals
City of Lawrenceburg	2.67 per 1,000 gals.	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 A – PSC Approved Frankfort Plant Board Tariff

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 2015	through	September 2016
	(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.

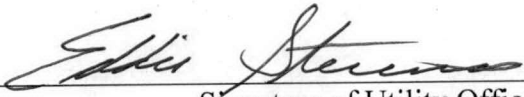
Supplier(s)	Gallons Purchased during 12 month period
Frankfort Plant Board	124,277,200
City of Lawrenceburg	66,941,000
TOTAL PURCHASES	191,218,200
4. Total gallons sold for the 12 month period	182,302,102
5. Increased water cost	0.10x124,277.2 = \$12,427.72
<p>The increased water cost is the cost difference 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 B</p>	
6. Purchased water adjustment factor	\$0.0682/1,000 gals.
<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 C	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit D	
9. Proposed effective date	January 1, 2017
 Signature of Utility Officer	
Chair Title	

EXHIBIT A

FOR Entire Service Area

P.S.C. KY. NO. 1

The Electric and Water Plant Board
of the City of Frankfort, Kentucky
(NAME OF UTILITY)

1st Revised SHEET NO. 1

CANCELLING P.S.C. KY. NO. 1

Original SHEET NO. 1

RATES & CHARGES

APPLICABILITY: All wholesale water users regulated by the Public Service Commission purchasing water from the FEWPB for resale.

AVAILABILITY OF SERVICE: To all water districts.

RATE: Year 1 (November 12, 2014 – October 31, 2015) - \$2.25 per 1,000 gallons
Year 2 (November 1, 2015 – October 31, 2016) - \$2.35 per 1,000 gallons
Year 3 (November 1, 2016 – October 31, 2017) - \$2.45 per 1,000 gallons
On and After November 1, 2017 - \$2.55 per 1,000 gallons

CONDITIONS OF SERVICE: Pursuant to contract.

NOTE: As of November 12, 2014, this tariff sheet cancels and replaces all other tariff sheets on file containing general rates applicable to wholesale water districts and implements the general rates established herein. FPB's tariff sheet containing charges for the Kentucky River Authority withdrawal fee on file with the Commission shall remain in full force and effect.

DATE OF ISSUE: October 10, 2014
MONTH / DATE / YEAR
DATE EFFECTIVE: November 12, 2014
MONTH / DATE / YEAR
ISSUED BY: *Hubbie Bassister*
SIGNATURE OF OFFICER
TITLE: General Manager
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE
NO. 2014-00254 DATED: November 12, 2014, December 3, 2014

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 11/12/2014 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

EXHIBIT B						
TEST YEAR WATER PURCHASES AND SALES						
	Purchased Water L'burg (gals)	Purchased Water F'fort (gals)	Total Water Purchased (gals)	Water Sold (gals)	Water Station (gals)	Combined Sales (gals)
2016						
Jan	4,401,000	8,360,200	12,761,200	14,651,703	37,450	14,689,153
Feb	4,456,000	9,437,500	13,893,500	15,690,104	42,490	15,732,594
Mar	3,853,000	13,170,400	17,023,400	14,042,103	37,590	14,079,693
Apr	4,084,000	11,603,300	15,687,300	11,469,203	57,260	11,526,463
May	7,451,000	13,270,900	20,721,900	14,823,009	27,790	14,850,799
Jun	3,690,000	10,563,800	14,253,800	16,516,203	60,410	16,576,613
Jul	6,788,000	5,914,100	12,702,100	13,378,203	74,760	13,452,963
Aug	10,287,000	10,516,100	20,803,100	17,138,304	65,699	17,204,003
Sep	6,806,000	9,441,700	16,247,700	16,615,910	46,690	16,662,600
2015						
Oct	5,870,000	11,399,100	17,269,100	16,502,703	42,070	16,544,773
Nov	4,797,000	9,933,700	14,730,700	15,034,305	30,170	15,064,475
Dec	4,458,000	10,666,400	15,124,400	15,883,113	34,860	15,917,973
Totals	66,941,000	124,277,200	191,218,200	181,744,863	557,239	182,302,102
Avg			15,934,850	15,145,405		
Min			12,702,100	11,469,203		
Max			20,803,100	17,138,304		
Increased water costs:			\$0.10x124,277,200/1,000 =			\$12,427.72
Purchased Water Adjustment Factor:			\$12,427.72/182,302.102 =			\$0.0682

EXHIBIT C

PUBLIC NOTICE SOUTH ANDERSON WATER DISTRICT PURCHASED WATER ADJUSTMENT

Due to an increase in the wholesale rate for water purchased from the Frankfort Plant Board, the South Anderson Water District has applied to the Kentucky Public Service Commission for a rate increase to cover its increased costs. The rates contained herein are the rates proposed by South Anderson Water District for all customers, however the Public Service Commission may order rates to be charged that are higher or lower than the rates proposed in this notice. Any corporation, association, body public or person may request leave to intervene by motion within thirty (30) days after notice of the proposed rates change is given. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Kentucky Public Service Commission, 211 Sower Boulevard, P. O. Box 615, Frankfort, KY 40602, and shall set forth the grounds for the motion including the status and interest of the party. The application may be reviewed at the South Anderson Water District at 142 South Main St., Lawrenceburg, KY 40342 and the Kentucky Public Service Commission office listed above Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Commission's website at <http://psc.ky.gov>.

	MONTHLY WATER RATES		
	OLD RATE	NEW RATE	INCREASE PER 1,000 GALLONS
First 2,000 gallons	\$19.47 (minimum bill)	\$19.61 (minimum bill)	0.72%
Next 3,000 gallons	9.56 per 1,000 gallons	9.63 per 1,000 gallons	0.73%
Next 5,000 gallons	7.31 per 1,000 gallons	7.38 per 1,000 gallons	0.96%
All over 10,000 gallons	5.81 per 1,000 gallons	5.88 per 1,000 gallons	1.20%
Average Monthly Bill for 5,800 gallons	\$54.00	\$54.40	0.74%
Bulk Loading Station	3.84 per 1,000 gallons	3.91 per 1,000 gallons	1.82%
Wholesale Rate	3.3292 per 1,000 gallons	3.3974 per 1,000 gallons	2.05%
	2.8259 per 1,000 gallons	2.8941 per 1,000 gallons	2.41%

The proposed rates are scheduled to go into effect with the January 2017 meter readings which will be reflected on the first billing following February 1, 2017. The proposed rate increase of \$0.07/1,000 gallons or 0.74% on the average monthly bill will compensate for the higher wholesale purchase water rates allowed the Frankfort Plant Board by the Public Service Commission.

Meeting called to order at 6pm by Chairman Stevens, invocation by Commissioner Neat

Guest present but not on agenda included representatives of Kentucky American Water, Dotty Johnson and Kenny Roney. Although not on the agenda the board opened the floor to the representatives. They were just visiting water districts and attending board meetings to inform some of their employees as to the procedures involved. They also had a folder explaining the services that they offer to other water companies and informed the board that in the event of an emergency that they would be more than willing to help if needed. The board thanked them for the information and welcomed them to observe the meeting and the procedures involved.

The first item addressed by the board were the minutes from the previous meeting, after a brief review of the minutes the motion was made by Commissioner Baker to accept the minutes as prepared, 2nd by Commissioner Neat- motion carried unanimously

Dudley Shryock then addressed the board with the monthly financial information. He distributed copies of the proposed 2017 budget for review and discussion. After reviewing the budget and discussing possible changes that needed to be made the motion was made by Commissioner Baker to accept the 2017 budget with the discussed changes, 2nd by Commissioner Neat- motion carried unanimously

Ken Taylor, the districts engineer informed the board that the price increase from our supplier Frankfort Plant Board had taken effect earlier this month. This increased the cost to the district by 7 cents per 1000 gallons. Ken reminded the board that we did not adjust our rates to reflect the price increase from last year and that we needed to probably adjust our rates to include this additional amount. The board agreed with Mr. Taylors conclusion to implement the pass through rate increase. At the conclusion of the discussion, the motion was made by Commissioner Baker to prepare the "pass-through" increase and have our engineer complete the necessary paperwork and filings to adjust the districts current rates to reflect the suppliers increase, 2nd by Commissioner Neat- motion carried unanimously

Then discussed was the matter of Carey Mill Road and the repairs that needed to be made as has been discussed in previous meetings. Chairman Stevens had discussed the situation with the previous County road foremen and had been informed that the county had never maintained this portion of the road during his tenure. Commissioner Baker had spoke to his brother who is employed by the Kentucky Department of Transportation and informed the board that he had stated that all counties have such maintenance issues in certain areas. The county road map that had been used as a reference by the county judge was on file with the state and listed county maintained roads, but changes in the area of maintenance (increases and decreases) were not reported. Shawn Cook, operations manager had collected bids from 3 contractors for repairs on Carey Mill Road. The companies and bid amounts are as follows: TK Bobcat \$4295, Kentucky Underground \$6680, and Bobby Hyatt Plumbing \$2800. It was discussed that we may need unit pricing for the gravel as it seems some additional gravel would need to be included to complete the repairs. The motion was then made by Commissioner Baker to accept the Hyatt Plumbing bid with the unit pricing amendment, 2nd by Commissioner Neat- motion carried unanimously

Shawn Cook, operations manager informed the board that operations were normal at this time and the telemetry seemed to be working well. He stated that we had a couple of main line leaks, but otherwise, operations were normal. He also reminded the board of the upcoming Christmas dinner to be held at ADDIES in Versailles on December 8th @ 6pm. He also wanted to remind them of the upcoming PSC training on December 6th and 7th in Frankfort and the employee stipends to be handed out during the Christmas dinner.

At Mr. Cook's conclusion, the motion was made by Commissioner Baker to go into closed session to discuss employee matters, 2nd by Commissioner Neat- motion carried unanimously/ closed session

Upon the boards return the motion was made by Commissioner Baker to return to regular session, 2nd by Commissioner Neat- motion carried unanimously- back in regular session.

With no more business to discuss, the motion was made by Commissioner Neat to adjourn, 2nd by Commissioner Baker- motion carried unanimously

SOUTH ANDERSON WATER DISTRICT

142 SOUTH MAIN STREET
LAWRENCEBURG, KY 40342

502-839-6919

502-859-0424 (FAX)

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE MEETING, MOTION WAS MADE BY COMMISSIONER, AND SECONDED BY COMMISSIONER TO ADJOURN THE MEETING. MOTION CARRIED UNANIMOUSLY.

RESPECTFULLY SUBMITTED,

By: Ollie Neat
Ollie Neat, Secretary
South Anderson Water District

I HEREBY CERTIFY THAT THE FOREGOING MINUTES WERE DULY APPROVED BY THE BOARD OF COMMISSIONERS OF THE SOUTH ANDERSON WATER DISTRICT AT A MEETING HELD ON THE DATE SHOWN BELOW:

SOUTH ANDERSON WATER DISTRICT

By: Eddie R. Stevens
Eddie R. Stevens, Chairman
12-15-16
Date Approved

FOR Anderson County, Kentucky
Community, Town or City

P.S.C. KY. NO. 2

13th revised SHEET NO. 4

South Anderson Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2

12th revised SHEET NO. 4

RATES AND CHARGES

Monthly Water Rates

First 2,000 gallons	\$19.61 Minimum Bill
Next 3,000 gallons	\$9.63 per 1,000 gallons
Next 5,000 gallons	\$7.38 per 1,000 gallons
All Over 10,000 gallons	\$5.88 per 1,000 gallons

Bulk Loading Station \$3.91 per 1,000 gallons

Wholesale Rate: North Mercer Water District

First 3,000,000 gallons	\$10,192.20 Minimum Bill (or \$3.3974 per 1,000 gallons)
All over 3,000,000 gallons	\$2.8941 per 1,000 gallons

DATE OF ISSUE December 15, 2016
Month / Date / Year

DATE EFFECTIVE January 1, 2017
Month / Date / Year

ISSUED BY Eddie Stevens
(Signature of Officer)

TITLE CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION OF KENTUCKY

IN CASE NO. 2016- DATED