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**APPLICATION FOR RATE ADJUSTMENT  
BEFORE THE PUBLIC SERVICE COMMISSION**

For Small Utilities Pursuant to 807 KAR 5:076  
(Alternative Rate Filing)

FEB 14 2017  
Public Service  
Commission

**Western Lewis Rectorville Water & Gas District**

*(Name of Utility)*

**8044 KY 3160**

*(Business Mailing Address - Number and Street, or P.O. Box)*

**Maysville, KY 41056**

*(Business Mailing Address - City, State, and Zip)*

**606-742-0014**

*(Telephone Number)*

**BASIC INFORMATION**

NAME, TITLE, ADDRESS, TELEPHONE NUMBER and E-MAIL ADDRESS of the person to whom correspondence or communications concerning this application should be directed:

**Lyn Rhonemus, CPA (Jeffrey D Newman CPA LLC)**

*(Name)*

**522 E Main Street**

*(Address - Number and Street or P.O. Box)*

**West Union, OH 45693**

*(Address - City, State, Zip)*

**937-544-1272**

*(Telephone Number)*

**lyn@newmancpa.com**

*(Email Address)*

**(For each statement below, the Applicant should check either "YES", "NO", or "NOT APPLICABLE" (N/A))**

YES NO N/A

- |       |  |  |
|-------|--|--|
| 1. a. | In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue.   | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| b.    | Applicant operates two or more divisions that provide different types of utility service. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue from the division for which a rate adjustment is sought. | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| 2. a. | Applicant has filed an annual report with the Public Service Commission for the past year.   | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| b.    | Applicant has filed an annual report with the Public Service Commission for the two previous years.  | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| 3.    | Applicant's records are kept separate from other commonly-owned enterprises.   | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |

YES NO N/A

4. a. Applicant is a corporation that is organized under the laws of the state of Kentucky, is authorized to operate in, and is in good standing in the state of Kentucky.
- b. Applicant is a limited liability company that is organized under the laws of the state of \_\_\_\_\_, is authorized to operate in, and is in good standing in the state of Kentucky.
- c. Applicant is a limited partnership that is organized under the laws of the state of \_\_\_\_\_, is authorized to operate in, and is in good standing in the state of Kentucky.
- d. Applicant is a sole proprietorship or partnership.
- e. Applicant is a water district organized pursuant to KRS Chapter 74.
- f. Applicant is a water association organized pursuant to KRS Chapter 273.
5. a. A paper copy of this application has been mailed to Office of Rate Intervention, Office of Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204.
- b. An electronic copy of this application has been electronically mailed to Office of Rate Intervention, Office of Attorney General at rateintervention@ag.ky.gov.
6. a. Applicant has 20 or fewer customers and has mailed written notice of the proposed rate adjustment to each of its customers no later than the date this application was filed with the Public Service Commission. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
- b. Applicant has more than 20 customers and has included written notice of the proposed rate adjustment with customer bills that were mailed by the date on which the application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
- c. Applicant has more than 20 customers and has made arrangements to publish notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in its service area, the first publication having been made by the date on which this Application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
7. Applicant requires a rate adjustment for the reasons set forth in the attachment entitled "Reasons for Application." **(Attach completed "Reasons for Application" Attachment.)**

YES NO N/A

8. Applicant proposes to charge the rates that are set forth in the attachment entitled "Current and Proposed Rates." **(Attach completed "Current and Proposed Rates" Attachment.)**
9. Applicant proposes to use its annual report for the immediate past year as the test period to determine the reasonableness of its proposed rates. This annual report is for the 12 months ending December 31, 2015.
10. Applicant has reason to believe that some of the revenue and expense items set forth in its most recent annual report have or will change and proposes to adjust the test period amount of these items to reflect these changes. A statement of the test period amount, expected changes, and reasons for each expected change is set forth in the attachment "Statement of Adjusted Operations." **(Attach a completed copy of appropriate "Statement of Adjusted Operations" Attachment and any invoices, letters, contracts, receipts or other documents that support the expected change in costs.)**
11. Based upon test period operations, and considering any known and measurable adjustments, Applicant requires additional revenues of \$ 194,301 and total revenues from service rates of \$ 578,962. The manner in which these amounts were calculated is set forth in "Revenue Requirement Calculation" Attachment. **(Attach a completed "Revenue Requirement Calculation" Attachment.)**
12. As of the **date of the filing of this application**, Applicant had 550 customers.
13. A billing analysis of Applicant's current and proposed rates is attached to this application. **(Attach a completed "Billing Analysis" Attachment.)**
14. Applicant's depreciation schedule of utility plant in service is attached. **(Attach a schedule that shows per account group: the asset's original cost, accumulated depreciation balance as of the end of the test period, the useful lives assigned to each asset and resulting depreciation expense.)**
15. a. Applicant has outstanding evidences of indebtedness, such as mortgage agreements, promissory notes, or bonds.
- b. Applicant has attached to this application a copy of each outstanding evidence of indebtedness (e.g., mortgage agreement, promissory note, bond resolution).
- c. Applicant has attached an amortization schedule for each outstanding evidence of indebtedness.

- |  | YES                                 | NO                                  | N/A                                 |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| 16. a. Applicant is not required to file state and federal tax returns.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                                     |
| b. Applicant is required to file state and federal tax returns.  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |                                     |
| c. Applicant's most recent state and federal tax returns are attached to this Application. (Attach a copy of returns.)   | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| 17. Approximately <u>\$0</u> (Insert dollar amount or percentage of total utility plant) of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions. | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                                     |
| 18. Applicant has attached a completed Statement of Disclosure of Related Party Transactions for each person who 807 KAR 5:076, §4(h) requires to complete such form.                                  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                                     |

By submitting this application, the Applicant consents to the procedures set forth in 807 KAR 5:076 and waives any right to place its proposed rates into effect earlier than six months from the date on which the application is accepted by the Public Service Commission for filing.

I am authorized by the Applicant to sign and file this application on the Applicant's behalf, have read and completed this application, and to the best of my knowledge all the information contained in this application and its attachments is true and correct.

Signed

Chad Clark

Officer of the Company/Authorized Representative

Title

G.M.

Date

01/23/2017

COMMONWEALTH OF KENTUCKY

COUNTY OF Mason

Before me appeared Chad Clark, who after being duly sworn, stated that he/she had read and completed this application, that he/she is authorized to sign and file this application on behalf of the Applicant, and that to the best of his/her knowledge all the information contained in this application and its attachments is true and correct.

Sharon Dennis # 520718

Notary Public

My commission expires:

10/8/2018

LIST OF ATTACHMENTS  
(Indicate all documents submitted by checking box)

- Customer Notice of Proposed Rate Adjustment
- "Reasons for Application" Attachment"
- Current and Proposed Rates" Attachment
- "Statement of Adjusted Operations" Attachment
- "Revenue Requirements Calculation" Attachment
- Attachment Billing Analysis" Attachment
- Depreciation Schedules
- Outstanding Debt Instruments (i.e., Bond Resolutions, Mortgages, Promissory Notes, Amortization Schedules.)
- State Tax Return
- Federal Tax Return
- Statement of Disclosure of Related Party Transactions - ARF Form 3

NOTICE OF APPLICATION OF WESTERN LEWIS  
RECTORVILLE WATER AND GAS DISTRICT  
TO ADJUST RATES FOR NATURAL GAS SERVICE  
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY  
January 20, 2017

Pursuant to the Kentucky Public Service Commission's regulation 807 KAR 5:076, Western Lewis Rectorville Water and Gas District ("WLRW&GD"), gives notice that an application has been filed on the January 20, 2017, with the Kentucky Public Service Commission seeking approval to adjust its rates for natural gas service. This rate adjustment will apply to all of WLRW&GD's customers. If WLRW&GD's application is approved, monthly natural gas bills will increase as follows:

<b>Current Monthly Rate</b>	<b>Customer Charge</b>	<b>Base Rate</b>	<b>Gas Cost Recovery Rate</b>	<b>Total Rate Per Unit</b>
First: 1 Mcf or less	\$1.00	\$3.9883	\$2.7567	\$7.7450 Minimum Bill
Next: 4 Mcf	\$0.00	\$1.4565	\$2.7567	\$4.2132/1,000 Cubic feet
Next: 5 Mcf	\$0.00	\$1.3970	\$2.7567	\$4.1537/1,000 Cubic feet
Over: 10 Mcf	\$0.00	\$1.2228	\$2.7567	\$3.9795/1,000 Cubic feet

<b>Proposed Monthly Rate</b>	<b>Customer Charge</b>	<b>Base Rate</b>	<b>Gas Cost Recovery Rate</b>	<b>Total Rate Per Unit</b>
1 Mcf or less	\$1.00	\$10.00	\$2.7567	\$13.7567 Minimum Bill
Over 1 Mcf	\$0.00	\$10.00	\$2.7567	\$12.7567/MCF

WLRW&GD's average customer monthly usage is 6.2 Mcfs per month. In 2015 the customers of WLRW&GD used an average of 3,406.75 Mcfs per month. The average cost per customer was \$29.58. Based on average usage, the cost will increase \$50.51 per month, a 171% increase, if the proposed rates are approved by the Kentucky Public Service Commission. The rates contained in this notice are the rates proposed by WLRW&GD, however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may submit a timely written request to intervene to the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, KY 40602, establishing the grounds for the request and not including the status and interest of the party. If the Kentucky Public Service Commission does not receive a request to intervene within thirty (30) days of the initial publication or mailing of this notice, the Kentucky Public Service Commission may take final action on the application. Any comments regarding this application may be submitted through the Commission's web site at <http://psc.ky.gov/> or by mail to P.O. Box 615, Frankfort, Kentucky 40602.

Copies of the WLRW&GD's application may be obtained or view from WLRW&GD at 8044 KY 3160, Maysville, Kentucky 41056, Monday through Friday 9:00 a.m. to 4:00 p.m. The application and all documents filed with the Kentucky Public Service Commission may be viewed and downloaded at the Kentucky Public Service Commission's Web site as noted previously or a copy can be obtained from the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602 between the hours of 8:00 a.m. and 4:30 p.m.

**REASONS FOR APPLICATION**

**(In the space below list all reasons why the Applicant requires a rate adjustment. Describe any event or occurrence of significance that may affect the Applicant's present or future financial condition, including but not limited to excessive water line losses, regulatory changes, major repairs, planned construction, and increases in wholesale water costs.)**

This Alternative Rate Filing is for the purpose of establishing a rate structure that will allow Western Lewis Rectorville Water & Gas District ("WLRW&GD") to provide reasonable and adequate service to its customers by achieving financial stability on an ongoing basis.

WLRW&GD has, for the past couple of years, had an inflated gas cost recovery (GCR) rate per Mcf, which in turn has led to large variances between what the customer should have been billed vs what they were billed for the gas costs. The revenues received because of the inflated GCR rate were used to maintain day to day operations of the gas system. However, it has created a negative variance with quarterly gas cost recovery reports filed with PSC and as such, PSC plans to reduce the GCR rate so the customer recoups their overbilled gas costs. The reason for the inflated GCR rate is because the base rate is too low to cover basic overhead costs, let alone needed repairs, maintenance, and required updates to properly maintain the gas system. The last base rate increase that WLRW&GD had before the Commission was in 1993. As such, a base rate increase is essential to maintain a reasonable level of service to WLRW&GD customers.



**CURRENT AND PROPOSED RATES**  
**(List Applicant's Current and Proposed Rates)**

Current Monthly Rate:	Customer Charge	Base Rate	GCR Rate	Total Rate Per MCF
First: 1 Mcf or less	\$1.00	\$3.9883	\$2.7567	\$7.7450 Minimum Bill
Next: 4 Mcf	\$0.00	\$1.4565	\$2.7567	\$4.2132
Next: 5 Mcf	\$0.00	\$1.3970	\$2.7567	\$4.1537
Over: 10,000 Mcf	\$0.00	\$1.2228	\$2.7567	\$3.9795
Proposed Monthly Rate:	Customer Charge	Base Rate	GCR Rate	Total Rate Per Unit
1 Mcf or less	\$1.00	\$10.00	\$2.7567	\$13.7567 Minimum Bill
Over 1 Mcf	\$0.00	\$10.00	\$2.7567	\$12.7567

**SCHEDULE OF ADJUSTED OPERATIONS - GAS UTILITY**

TYE 12/31/20 15

	Test Year	Adjustment	Ref.	Pro Forma
<b><u>Operating Revenues</u></b>				
Sales of Gas				
Residential	342,949.00	128,345.00	A	471,294.00
Commercial & Industrial	41,712.00	15,223.00	A	56,935.00
Interdepartmental				0.00
Sales for Resale				0.00
<b>Total Sales of Gas</b>	<b>384,661.00</b>	<b>143,568.00</b>		<b>528,229.00</b>
Other Operating Revenues				
Forfeited Discounts				0.00
Miscellaneous Service Revenues				0.00
Rent from Gas Property				0.00
Other Gas Revenues	10,000.00			10,000.00
<b>Total Operating Revenues</b>	<b>394,661.00</b>	<b>143,568.00</b>		<b>538,229.00</b>
<b><u>Operating Expenses</u></b>				
Operation and Maintenance Expenses				
Manufactured Gas Production Expenses				0.00
Natural Gas Production Expenses				0.00
Exploration and Development Expenses				0.00
Storage Expenses				0.00
Other Gas Supply Expenses	174,148.00			174,148.00
Transmission Expenses	9,145.00	60,000.00	B	69,145.00
Distribution Expenses				0.00
Customer Accounts Expenses				0.00
Customer Service and Informational Expenses				0.00
Administrative and General Expenses	237,261.00	23,300.00	C	260,561.00
<b>Total Operation and Maintenance Expenses</b>	<b>420,554.00</b>	<b>83,300.00</b>		<b>503,854.00</b>
Depreciation Expense	17,020.00			17,020.00
Amortization Expense				0.00
Taxes Other Than Income	9,510.00			9,510.00
Income Tax Expense				0.00
<b>Total Operating Expenses</b>	<b>447,084.00</b>	<b>83,300.00</b>		<b>530,384.00</b>
<b>Utility Operating Income</b>	<b>-52,423.00</b>	<b>60,268.00</b>		<b>7,845.00</b>

References

A - Residential:  $36,418 \text{ Mcf (actual 2015 usage)} * (\$10.00 + \$2.76) = \$464,693.68 - \$342,949 + \$6,600$  (monthly customer charge included in Test Year that will also be received with proposed adjustment) = \$128,345 adjustment  
Commercial:  $4,462 \text{ Mcf (actual 2015 usage)} * (\$10.00 + \$2.76) = \$ 56,945.12 - \$ 41,712 = \$ 15,223$  adjustment

B - Repairs and maintenance; Gas line extension/Rebuilding regulator station

C - One time cost to file ARF - \$5,000  
Gas Consultant - \$18,300 annually \*\*

\*\*The company contracted with will provide the required training and keep the District up to date on current laws and regulations relating to gas services.

**REVENUE REQUIREMENT CALCULATION - OPERATING RATIO METHOD**

(Method commonly used by investor owned utilities and/or non-profit entities that do not have long-term debt outstanding.)

Pro forma Operating Expenses Before Income Taxes	\$356,236.00
Operating Ratio	0.88
Sub-Total	404,813.64
Less: Pro forma Operating Expenses Before Income Taxes	-356,236.00
Net Income Allowable	48,577.64
Add: Provision for State and Federal Income Taxes, if Applicable (see footnote)	
Interest Expense	
Pro forma Operating Expenses Before Taxes	356,236.00
Cost of Natural Gas (water utilities should leave this blank)	174,148.00
Total Revenue Requirement	578,961.64
Less: Other Operating Revenue	
Non-operating Revenue	
Interest Income	
Total Revenue Required from Rates for Service	578,961.64
Less: Revenue from Sales at Present Rates	384,661.00
Required Revenue Increase	194,300.64

Required Revenue Increase stated as a Percentage of Revenue at Present Rates	50.51%
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**Provision for Income Taxes - Calculation of Tax Gross-Up Factor**

Revenue	1
Less: 5% State Tax	-0.05
Sub-Total	0.95
Less: Federal Tax, 15% of Sub-Total	-0.1425
Percent Change in NOI	0.8075
Factor (Revenue of 1 divided by change in NOI)	1.23839
Times: Allowable Net Income	48,577.64
Net Income Before Taxes	60,158.07
Difference Equals Provision for State and Federal Income Taxes	11,580.43

Notes: (1) Natural gas utilities should deduct their cost of natural gas from pro forma operating expenses before performing the operating ratio calculation. The cost of natural gas should be added back and included in pro forma operating expenses when determining the total revenue requirement. (2) A provision for state and federal income taxes should only be included in the calculation of revenue requirements for utilities that file income tax returns and are liable for the payment of state and federal income taxes. Utilities whose income flows through to its owner's income tax returns for tax purposes should not include a provision for income taxes. (3) The conversion factor above is calculated using the minimum federal tax rate. Adjustment may be warranted where the actual federal tax rate exceeds the minimum federal tax rate.

Revenue from Present/Proposed Rates  
 Test Period from 01-01-15 to 12-31-15

**USAGE TABLE**  
Usage by Rate Increment

**Class:** \_\_\_\_\_

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 4,000	(6) Next 5,000	(7) Over 10,000	(8)	(9) Total
First 1,000	2518	1142	1142					1142
Next 4,000	1859	5654	1859	3795				5654
Next 5,000	912	6953	912	3648	2393			6953
Over 10,000	1256	25268	1256	5024	6280	12708		25268
<b>Totals</b>	<b>6,545</b>	<b>39,017</b>	<b>5,169</b>	<b>12,467</b>	<b>8,673</b>	<b>12,708</b>		<b>39,017</b>

**REVENUE TABLE**  
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Present Rates	(5) Revenue
First 1,000	2518	1142	6.7450	34,864.91
Next 4,000	1859	5654	4.2132	52,525.96
Next 5,000	912	6953	4.1537	36,025.04
Over 10,000	1256	25268	3.9795	50,571.49
Customer Charge	6545		1.00	6,545.00
<b>Totals</b>	<b>6,545</b>	<b>39,017</b>		<b>187,077.40</b>

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.  
 Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates  
 Test Period from 01-01-15 to 12-31-15

**USAGE TABLE**  
Usage by Rate Increment

**Class:** \_\_\_\_\_

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 4,000	(6) Next 5,000	(7) Over 10,000	(8)	(9) Total
First 1,000	2518	1142	1142					1142
Next 4,000	1859	5654	1859	3795				5654
Next 5,000	912	6953	912	3648	2393			6953
Over 10,000	1256	25268	1256	5024	6280	12708		25268
<b>Totals</b>	<b>6,545</b>	<b>39,017</b>	<b>5,169</b>	<b>12,467</b>	<b>8,673</b>	<b>12,708</b>		<b>39,017</b>

**REVENUE TABLE**  
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Proposed Rates	(5) Revenue
All MCF	6,545	39,017	12.7567	497,728.16
Customer Charge	6,545		1.00	6,545.00
<b>Totals</b>	<b>6,545</b>	<b>39,017</b>		<b>504,273.16</b>

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.  
 Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

**WESTERN LEWIS RERCTORVILLE WATER DISTRICT**  
**GAS DIVISION**  
**PLANT AND DEPRECIATION SCHEDULE**  
December 31, 2015

	DATE ACQUIRED	USE- FUL LIFE	ORIGINAL COST	2015 PROVISIONS	ACCUM 12/31/15	NET BALANCE 12/31/15
<b>GENERAL &amp; DISTRIBUTION PLANT</b>						
GENERAL PLANT	01/01/63	25	\$ 148,544		\$148,544	\$0.00
GENERAL PLANT	01/01/71	25	2,796		\$2,796	-
GENERAL PLANT	01/01/72	25	184		\$184	-
DISTRIBUTION PLANT	01/01/72	25	3,990		\$3,990	-
GENERAL PLANT	01/01/73	25	1,882		\$1,882	-
DISTRIBUTION PLANT	01/01/73	25	1,036		\$1,036	-
DISTRIBUTION PLANT	01/01/74	25	1,762		\$1,762	-
DISTRIBUTION PLANT	01/01/75	25	1,927		1,927	-
DISTRIBUTION PLANT	01/01/76	25	2,678		2,678	-
GENERAL PLANT	01/01/77	25	323		323	-
DISTRIBUTION PLANT	01/01/77	25	5,677		5,677	-
DISTRIBUTION PLANT	01/01/78	25	6,064		6,064	-
Office Building	10/31/10	30	200,285	6,676	40,057	160,228
GENERAL & DISTR. PLANT SUBTOTAL			377,148	6,676	216,920	160,228
<b>374 LAND AND LAND RIGHTS</b>						
	01/01/80		50			50
374 SUBTOTAL			50			50
<b>378 MEAS AND REGUL STATION EQUIP</b>						
	01/01/80	15	161		161	-
	01/01/81	15	2,706		2,706	-
	01/01/82	15	409		409	-
	01/01/83	15	81		81	-
	01/01/85	15	328		328	-
Cathodic Protection	09/01/91	15	19,437		19,437	0
378 SUBTOTAL			23,122		23,122	0
<b>376 MAINS</b>						
	01/01/80	40	3,966	99	3,626	340
	01/01/81	15	668		668	-
	01/01/82	40	1,963	49	1,669	294
	10/23/86	40	532	13	387	145
	06/06/86	40	340	9	253	87
Lute Plumbing (Coupling Pipe)	04/17/90	40	462	12	295	168
Lute Plumbing (Pipe)	12/17/90	40	350	9	211	138
376 SUBTOTAL			8,280	190	7,108	1,172
<b>380 SERVICES</b>						
	01/01/79	15	1,986		1,986	-
	01/01/80	15	2,297		2,297	-
	01/01/81	15	4,508		4,508	-
	01/01/82	15	11,076		11,076	-
	01/01/83	15	5,568		5,568	-
	01/01/84	15	1,119		1,119	-
	01/01/85	15	1,301		1,301	-
	12/01/86	15	205		205	-
	05/08/86	15	125		125	-
380 SUBTOTAL			28,185	-	28,185	-

WESTERN LEWIS RECTORVILLE WATER DISTRICT  
GAS DIVISION  
PLANT AND DEPRECIATION SCHEDULE  
December 31, 2015

	DATE ACQUIRED	USE- FUL LIFE	ORIGINAL COST	2015 PROVISIONS	ACCUM 12/31/15	NET BALANCE 12/31/15
<b>381 METERS</b>						
T. Pugh	08/20/05	15	300	20	210	90
6 gas taps	08/20/07	15	2,160	144	1,296	864
3 Gas Taps	10/22/08	15	1,080	72	576	504
2 Gas Taps	11/17/09	15	720	48	336	384
Willis Turner	04/13/90	15	750		750	-
381 SUBTOTAL			5,010	284	3,168	1,842
<b>382 METER INSTALLATIONS</b>						
	01/01/92	15	2,250		2,250	-
	01/01/93	15	1,800		1,800	-
	01/01/94	15	1,800		1,800	-
	01/01/95	15	1,350		1,350	-
	01/01/96	15	1,125	0	1,125	-
	12/31/98	15	5,400	0	5,400	-
	12/31/99	15	6,500	433	6,017	483
1	12/31/06	15	300	20	200	100
(8) x \$300	12/31/00	15	2,400	160	2,400	-
(3) x \$300	12/31/01	15	900	60	870	30
382 SUBTOTAL			23,825	673	23,212	613
<b>383 HOUSE REGULATORS</b>						
	01/01/81	15	78		78	-
	01/01/82	15	72		72	-
	01/01/85	15	490		490	-
Consolidated Pipe (Regulator)	03/28/90	15	394		394	(0)
Tri-State (Regulators)	09/19/90	15	444	30	386	58
383 SUBTOTAL			1,477	30	1,420	58
<b>384 HOUSE REGULATOR INSTALLATIONS</b>						
384 SUBTOTAL	01/01/80	15	55		55	-
			55		55	-
<b>391 OFFICE FURNITURE AND EQUIPMENT</b>						
	01/01/79	5	78		78	-
	01/01/83	5	251		251	-
	01/01/85	5	587		587	-
	06/30/87	5	500		500	(0)
391 SUBTOTAL			1,416		1,416	(0)
<b>394 TOOLS, SHOP AND GARAGE EQUIPMENT</b>						
	01/01/85	10	3,309		3,309	-
	06/30/89	10	68		68	0
2011 1500 Chevrolet Truck	10/22/10	5	16,685	0	16,685	-
394 SUBTOTAL			20,062	-	20,062	0
<b>397 COMMUNICATION EQUIPMENT</b>						
	01/16/86	5	111		111	0
	02/20/86	5	150		150	-
	03/20/86	5	63		63	-
	01/10/86	5	536		536	0
	01/10/86	5	241		241	-
	06/30/88	5	28		28	-
397 SUBTOTAL			1,129		1,129	-
<b>TOTALS -- GAS DIVISION</b>			<b>\$ 489,759</b>	<b>\$ 7,853</b>	<b>\$ 325,797</b>	<b>\$ 163,964</b>



**STATEMENT OF DISCLOSURE OF  
RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between Western Lewis Rectorville Water & Gas District ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members\* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation

- Check this box if the Utility has no related party transactions.
- Check box if additional transactions are listed on the supplemental page.
- Check box if any employee of the Utility is a family member of the Utility's chief executive officer, a Utility commissioner, or any person with a 10 percent or greater ownership interest in the Utility. The name of each employee and the official to whom they are related and the nature of the relationship are listed on the supplemental page entitled "Employees Related to Utility Officials."

CHAD CLARK  
(Print Name)

Chad Clark  
(Signed)

G.M.  
(Position/Office)

\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

COMMONWEALTH OF KENTUCKY

COUNTY OF Mason

Subscribed and sworn to before me by Chad Clark  
(Name)

this 23<sup>th</sup> day of January, 2017.

Sharon Demmsion # 520718  
NOTARY PUBLIC  
State-at-Large