

Rubin & Hays

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CHARLES S. MUSSON
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RECEIVED

March 27, 2017

MAR 27 2017

PUBLIC SERVICE
COMMISSION

Dr. Talina Mathews
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Bronston Water Association, **PSC Case No. 2017-00138**

Dear Dr. Mathews:

Pursuant to 807 KAR 5:069, Section 3(3)(b), enclosed please find the original and ten copies of the Affidavit of Publication and Tearsheet relating to the Notice of Proposed Rate Change of the Bronston Water Association.

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

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:jlm
Enclosures

Wayne County

The Outlook

45 East Columbia Avenue • P.O. Box 432

Monticello, KY 42633 • Phone (606) 348-3338 • Fax (606) 348-8848

Melinda Jones, Publisher

Newspaper Affidavit

I, Melinda Jones, Publisher of The Wayne County Outlook published at Monticello, Kentucky do solemnly swear that from my own personal knowledge and reference to the files of said publication, the advertisement of:

Rubin E. Hays (Notice of Proposed Rate Change Bronston Water Assoc.)

was inserted on the following dates in this newspaper:

<u>Date</u>	<u>Page</u>	<u>Column</u>
3-15-17	10B	1-3

Melinda Jones
Publisher

Subscribed and sworn before me this 17th day of March, 2017, A.D.
My commission expires 9-28-17.

Nicki A. Dishman
Notary Public



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 Bronston Water Association ("Association") of a change in water rates for users of the Association's water system. The changes in water rates are required by the U.S. Department of Agriculture, acting through Rural Development ("RD") in connection with a loan by RD to the Association in the principal amount of \$1,380,000 to be evidenced by the issuance by the Association of its promissory note in such amount, which RD has agreed to purchase provided the Association meets certain conditions of RD, including revising the water rates as set forth below:

Current Monthly Rates

5/8 x 3/4 inch Meter	Monthly Rate
First 1,500 gallons	\$17.93 minimum bill
Over 1,500 gallons	7.11 per 1,000 gallons
1 inch Meter	Monthly Rate
First 5,000 gallons	\$41.77 minimum bill
Over 5,000 gallons	7.11 per 1,000 gallons
2 inch Meter	Monthly Rate
First 20,000 gallons	\$117.65 minimum bill
Over 20,000 gallons	7.11 per 1,000 gallons
4 inch Meter	Monthly Rate
First 50,000 gallons	\$277.85 minimum bill
Over 50,000 gallons	7.11 per 1,000 gallons

Proposed Monthly Water Rates

5/8 x 3/4 inch Meter	New Monthly Rate	Dollar Change	% Change
First 1,500 gallons	\$21.14 minimum bill	\$3.21	18.00%
Over 1,500 gallons	7.38 per 1,000 gallons	0.27	3.80%
1 inch Meter	New Monthly Rate	Dollar Change	% Change
First 5,000 gallons	\$44.98 minimum bill	\$3.21	7.70%
Over 5,000 gallons	7.38 per 1,000 gallons	0.27	3.80%
2 inch Meter	New Monthly Rate	Dollar Change	% Change
First 20,000 gallons	\$120.86 minimum bill	\$3.21	2.73%
Over 20,000 gallons	7.38 per 1,000 gallons	0.27	3.80%
4 inch Meter	New Monthly Rate	Dollar Change	% Change
First 50,000 gallons	\$281.06 minimum bill	\$3.21	1.15%
Over 50,000 gallons	7.38 per 1,000 gallons	2.19	3.80%

The proposed monthly water 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 usage for all customers in the calendar year 2016 was 3,200 gallons per month thus generating an average monthly billing based on current rates of \$30.01. The proposed monthly rates will increase the average monthly billing to \$33.69 for an impact of \$3.68 or 12.26%. 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) Bronston Water Association Office, 2013 Highway 90, Bronston, KY 42518; (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 Association 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 Association 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 \$458,000 RD grant to finance the costs of the (i) installation of approximately 21,760 linear feet of water line and associated appurtenances and (ii) construction of a 500,000 gallon ground storage water tank.

Signed: Carter Stewart, President, Bronston Water Association.