PEAKS MILL WATER DISTRICT

Church Quarles, Chairman

7165 U.S.127 North Frankfort, Kentucky 40601

(502) 227-5740

November 14, 2017

RECEIVED

Public Service Commission P.O. Box 615 Frankfort, Kentucky 40602

re: Tariff Revisions

PUBLIC SERVICE COMMISSION

NOV 2 0 2017

To the COMMISSION:

The Peaks Mill Water District of Franklin County, Kentucky, respectfully requests that the COMMISSION allow us to make an adjustment in our rates in accordance with 807 KAR 5:067, Purchased Water Adjustment Clause.

The District has been told by the P.S.C. that its supplier, Frankfort Electric & Water Plant Board has been granted an increase which will take effect on November 12, 2017.

The following documents are enclosed:

Exhibit A. Purchased Water Rate Adjustment

Exhibit B. Notice to Customers

Exhibit C. Tariff Sheet

Exhibit D. Resolution

Exhibit E. Supplier's Tariff Sheet

We further ask the COMMISSION for a deviation from 807 KAR 5:068 Section 1(5) to allow us to capture two years of pass through increases.

If you have any questions, please contact Warner Broughman at (859) 271-1778 or wabiii@prodigy.net, as he is handling this matter.

Yours truly.

Church Quarles, Board Chairman cqeq@copper.net

CQ:pac

cc: Warner Broughman, III, Engineer

Enclosures

NOV 20 2017

PUBLIC SERVICE COMMISSION

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

| | | PEAKS MILL | WATER I | DISTRICT | | |
|-------------------|----------------------|----------------------|--------------|--------------|-------------------------------|--|
| Name of Utili | ty | | | | | |
| | | NOVEMBER 2 | 017 | | | |
| Date | | | | | | |
| | | 7165 U.S. 127 NORTH | | | | |
| Address | | | | | | |
| City, State, Zip | | FRANKFORT, KY | | | 40601 | |
| City, State, Zi | P | (502) 227- | 5740 | | | |
| Telephone Nu | ımher | (302) 227 | 3740 | | | |
| Telephone Ive | intoci | | | | | |
| 1.a. Name | of all wholesale si | ippliers and the l | oase (curre | nt) rate and | changed rate of each. In | |
| | | * * | (3) | * | not a flat rate schedule, the | |
| | edule must be sho | | | | | |
| | plier(s) | Base Rate | | | Changed Rate | |
| FEWPB | 1 | 2.45 | | 2.55 | | |
| | | | | | | |
| KENTUCKY-AMERICAN | | N/A | | N/A | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| 1.b. A copy of | of the supplier's no | tice of the chang | ed rate show | wing the e | ffective date of the increase | |
| is attached as | * * | | | Ü | | |
| | | | | | | |
| | | | | | | |
| | | | | adjustment | is based. (This twelve- | |
| month period | must end within 9 | 0 days of this fill | ing). | _ | | |
| From | NOVEMBER 201 | through OCTOBER 2017 | | R 2017 | | |
| Tiom | (month and year) | | unougn | (month a | | |
| | (month und year) | | | (month a | iia jearj | |
| 3. Statement | of water purchases | s. Where water i | s purchaseo | 1 from mor | re than one supplier, | |
| | | | | | archased through a | |

EXHIBIT 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 | 75,862,700 | | | |
| KENTUCKY AMERICAN | 476,997 | | | |
| | | | | |
| TOTAL PURCHASES | 76,339,697 | | | |
| | 55 717 000 | | | |
| 4. Total gallons sold for the 12 month period | 55,717,000 | | | |
| | | | | |
| 5. Increased water cost | \$7 , 586.27 | | | |
| The increased water cost is the cost difference between purchases at new rate. | ises at base (current rate) and | | | |
| | | | | |
| 6. Purchased water adjustment factor | \$0.14 | | | |
| The purchased water adjustment factor is obtained by dividing total gallons sold. | the increased cost of water by the | | | |
| 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. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates. | | | | |
| | | | | |
| 7. Proposed effective date | November 12, 2017 | | | |
| | | | | |
| Church Juntes | | | | |
| Signature of Utility Officer | , | | | |
| CHAIRMAN | | | | |
| Title | | | | |

EXHIBIT A

NOTICE TO THE PUBLIC OF UTILITY RATE CHANGE

Peaks Mill Water District

Due to an increase from its supplier, Peaks Mill Water District ("Peaks Mill") has asked for approval from the Public Service Commission to adjust its rates for water service rendered on and after November 12, 2017.

Manthly Dates

| | Wonthly | Rates | | |
|--------------------------------------|--------------------|------------------|-----------|---------------|
| | Prior Rates | New Rates | \$ Change | % Change |
| First 2,000 Gallons (Minimum Bill) | \$27.78 | \$28.06 | .28 | 1.0% Increase |
| Next 3,000 Gallons (per 1,000 gallo | ns) \$ 9.58 | \$ 9.72 | .14 | 1.5% Increase |
| Next 5,000 Gallons (per 1,000 gallo | ns) \$ 8.36 | \$ 8.50 | .14 | 1.7% Increase |
| Over 10,000 Gallons (per 1,000 gallo | ons) \$ 7.14 | \$ 7.28 | .14 | 2.0% Increase |

The monthly bill for an average customer using 5,000 gallons of water each month will increase \$0.70 (or 1.3%) from \$54.57 to \$55.27.

A person may examine this application at Peaks Mill's office located at 7165 U.S. 127 North in Frankfort, Kentucky.

A person may also examine this application at the Public Service Commission, located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m. or on the PSC website at http://psc.ky.gov; telephone (502) 564-3940.

EXHIBIT B

| Form for filing Rate Schedules | | For Northeastern Franklin County Community, Town or City P.S.C KY. No. 2017 10th REVISED SHEET NO. 1 CANCELLING P.S.C. KY NO. | | |
|---|--|---|--|--|
| PEAKS MILL WATER DISTRIC 7165 U.S. 127 North Frankfort, KY 40601 | | | | |
| RATES AND CHARGES | | RATE PER UNIT | | |
| Applicable: Entire Area Available: To All Cust Rates: First Next Next All Over | 2,000 Gallons 3,000 Gallons 5,000 Gallons 10,000 Gallons | \$ 28.06 Minimum Bill \$ 9.92 Per 1,000 Gallons \$ 8.50 Per 1,000 Gallons \$ 7.28 Per 1,000 Gallons | | |
| Issued by Church | Quarles Title | | | |
| Issued by authority of a Case No. 2017- | | Service Commission of Kentucky in | | |

EXHIBIT C

RESOLUTION

RESOLUTION OF THE Peaks Mill Water District, AUTHORIZING THE IMPLEMENTATION OF NEW RATES, SUBMITTING NEW RATES TO THE PUBLIC SERVICE COMMISSION AND AUTHORIZING A RESPRESENTATIVE TO SIGN ALL RELATED DOCUMENTS

WHEREAS, the Frankfort Electric and Water Plant Board has raised the wholesale cost of water and

WHEREAS, the Public Service Commission has approved the rate increase; and

WHEREAS, the District desires to adjust its rates to its customers to reflect the wholesale rate increase.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Peaks Mill Water District as follows:

SECTION 1. That the District hereby accepts the rate awarded by the Public Service Commission and approves the raising of rates by a like amount to its customers..

SECTION 2. That Church Quarles is hereby authorized, directed and empowered by the District to execute the necessary documents, and to otherwise act on behalf of the District to implement the changed rates.

SECTION 3. This Resolution shall take effect immediately upon passage.

ADOPTED on November 6, 2017.

Peaks Mill Water District

Title: Chairman

ATTESTED:

Title: Secretary

| | FOR_Entire Service Area | | | |
|--|---|--|--|--|
| | P.S.C. KY. NO1 | | | |
| The Electric and Water Plant Board | | | | |
| The Electric and Water Plant Board | 1 st Revised SHEET NO. 1 | | | |
| of the City of Frankfort, Kentucky (NAME OF UTILITY) | CANCELLING P.S.C. KY. NOI | | | |
| | 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, 2 | 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 | PUBLIC SERVICE COMMISSION | | | |
| DATE EFFECTIVE: November 12, 2014 MONTH DOATE (YEAR | JEFF R. DEROUEN EXECUTIVE DIRECTOR | | | |
| ISSUED BY Strable Dans is les | TARIFF BRANCH | | | |
| TITLE: General Manager | Bunt Kirtley | | | |
| BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSIO | NIN CASE 11/12/2014 | | | |
| NO. 2014-00254 DATED: November 12, 2014, December 3, 2014 | PURSUANT TO 807 KAR 5:011 SECTION 9 (1) | | | |