### Farmdale Water District 100 HIGHWOOD DRIVE FRANKFORT, KENTUCKY 40601

COMMISSIONERS: CLIFFORD TOLES, CHAIRMAN YVONNE HILL, TREASURER CRAIG BLANTON, SECRETARY TELEPHONE (502) 223-3562 FAX: (502) 352-2999 www.farmdalewaterdistrict.com

RECEIVED

JUL 1 8 2018

PUBLIC SERVICE COMMISSION

July 18, 2018

Public Service Commission 211 Sower Blvd. P.O. Box 615 Frankfort, KY 40602-0615 Talina Mathews, Executive Director

Ms. Mathews,

We are submitting an application for a water rate increase based on an increase in the KRA to the Frankfort Plant Board.

Included is a copy of the Purchased Water Adjustment form, computation of the rate change, notice from our supplier, our current and proposed rates, and a copy of the minutes of the Board approving the increase to be passed on to our customers.

Respectfully,

and Joles

Clifford Toles, Chairman

### Case No. 2018-00249

Purchased Water Adjustment Form 1 July 2014

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

JUL 1 8 2018

RECEIVED

PUBLIC SERVICE COMMISSION

| Name of Utility  | Farmdale Water District |  |
|------------------|-------------------------|--|
| Date             | July 18, 2018           |  |
| Address          | 100 Highwood Drive      |  |
| City, State, Zip | Frankfort, KY 40601     |  |
| Telephone Number | 502-223-3562            |  |
| Email Address    | farmdalewater@gmail.com |  |

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 Plant |           |              |
| Board           | 2.55      | 2.55         |
| KRA Fee         | .20       | .29          |
|                 |           |              |

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit

2. Twelve-month period upon which the purchased water adjustment is based. (This twelvemonth period must end within 90 days of this filing).

| From | May, 2017        | through | April, 2018      |  |
|------|------------------|---------|------------------|--|
|      | (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

| Supplier(s)                                                                                                                                                                                     | Gallons Purchased during 12<br>month period |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|
| Frankfort Plant Board                                                                                                                                                                           | 237,754                                     |
|                                                                                                                                                                                                 |                                             |
|                                                                                                                                                                                                 |                                             |
| TOTAL PURCHASES                                                                                                                                                                                 | 237,754                                     |
| 4. Total gallons sold for the 12 month period                                                                                                                                                   | 152,870                                     |
| 5. Increased water cost                                                                                                                                                                         | 21397.86                                    |
| The increased water cost is the cost difference between purchases at new rate. The calculation and all supporting change in purchased water costs sufficient to determine t attached as Exhibit | documents used to determine the             |
|                                                                                                                                                                                                 |                                             |
| 6. Purchased water adjustment factor                                                                                                                                                            | .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 e minimum usage is 2,000 gallons then the purchased water ad the minimum bill twice.                                                    |                                             |
|                                                                                                                                                                                                 |                                             |
| 7. A schedule listing the current and proposed rates is attached                                                                                                                                | d as Exhibit                                |
| 8. A copy of the resolution or other document of the utility's g proposed rates is attached as Exhibit                                                                                          | governing body authorizing the              |
| 9. Proposed effective date                                                                                                                                                                      | August 1,2018                               |
| · · · · · · · · · · · · · · · · · · ·                                                                                                                                                           | August 1,2018                               |
| Signature of Utility Officer                                                                                                                                                                    |                                             |
| Signature of Utility Officer                                                                                                                                                                    | •                                           |
| Chairman                                                                                                                                                                                        |                                             |





June 26, 2018

Farmdale Water District 100 Highwood Drive Frankfort, KY 40601 Attn: David Robinson

Re: Kentucky River Authority Withdrawal Fee (Tier II)

Dear Mr. Robinson:

As you know, FPB withdraws water from the Kentucky River that is used to supply our customers. Recently, the Kentucky River Authority increased its withdrawal fee. This fee is a "pass through". That is, FPB remits these funds to the Kentucky River Authority. Nevertheless, FPB is required to file a new tariff for this fee with the Public Service Commission.

Enclosed is a filing notice and a new tariff that FPB filed with the Public Service Commission on June 26, 2018 reflecting an increase in the Kentucky River Authority withdrawal fee. The Kentucky River Authority increased its Tier II water use fee by 9 cents from 13.0 cents to 22 cents per 1,000 gallons. We expect the new rate to be effective July 26, 2018.

Based on Farmdale's average monthly usage, the proposed increase of 9 cents per 1,000 gallons will be approximately \$1,817.52 per month

If you have any questions, please do not hesitate to contact me at (502) 352-4570 or <u>ddenton@fewpb.com</u>.

Sincerely.

David Denton, CPA Interim General Manager

DD/kp enclosures

|                                    | FOR FEWPB Entire Service Area    |  |
|------------------------------------|----------------------------------|--|
|                                    | PSC KY NO1                       |  |
| The Electric and Water Plant Board | 3 <sup>rd</sup> RevisedSHEET NO2 |  |
| of the City of Frankfort, Kentucky | CANCELLING PSC KY NO. 1          |  |
| (NAME OF UTILITY)                  | 2 <sup>nd</sup> RevisedSHEET NO2 |  |

## RULES AND REGULATIONS

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

KENTUCKY RIVER AUTHORITY WITHDRAWAL FEE:

| Tier I Fee                                         | 2.2 cents per thousand gallons  |
|----------------------------------------------------|---------------------------------|
| Tier II Fee                                        | 22.0 cents per thousand gallons |
| Subtotal                                           | 24.2 cents per thousand gallons |
| Adjustment to recover the full cost of the KRA Fee | 4.8 cents per thousand gallons  |
| Total for separate line item                       | 29.0 cents per thousand gallons |

NOTE: This adjustment recovers the Kentucky River Authority withdrawal fee adjusted for water loss. All other charges remain in full force and effect.

| DATE OF ISSUE: June 26, 2018<br>MONTH/DATE/YEAR        |
|--------------------------------------------------------|
| DATE EFFECTIVE; July 26, 2018                          |
| ISSUED BY                                              |
| TITLE: Interim General Manager                         |
| BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION |

IN CASE NO.\_\_\_\_\_DATED\_\_\_\_\_

### Farmdale Water District 100 HIGHWOOD DRIVE FRANKFORT, KENTUCKY 40601

COMMISSIONERS: CLIFFORD TOLES, CHAIRMAN YVONNE HILL, TREASURER CRAIG BLANTON, SECRETARY TELEPHONE (502) 223-3562 FAX: (502) 352-2999 www.farmdalewaterdistrict.com

July 6,2018

**Special Meeting** 

**Board of Commissioners** 

Present: Clifford Toles, Chairman; Craig Blanton, Secretary; Yvonne Hill-Poole, Treasurer; and Jan Sanders, Office Manager

Ms. Sanders brought to the attention of the Board that the Frankfort Plant Board will be increasing water rates effective July 26,2018. The KRA fee will be increased from .20 to .29 per 1,000 gallons of water. After calculations the increase to our customers will be .14 per 1,000 gallons. Our increase will be effective on or after August 1,2018.

Adjourned

| Farmdale Water District             | New Rate    | Base Rate  |
|-------------------------------------|-------------|------------|
| Gallons Purchased                   | 237,754     | 237,754    |
| Volumetric Rate                     | 2.55/1,000  | 2.55/1,000 |
| KRA Fee                             | .29         | .20        |
|                                     | 675,221.36  | 653,823.50 |
| Increased Cost:                     | 21,397.86   |            |
| Divided by gallons sold:            | 152,870     |            |
| Purchased water adjustment increase | factor: .14 |            |

|               | FOR                     | Entire Area S<br>Community, To | Served<br>wn or City |
|---------------|-------------------------|--------------------------------|----------------------|
|               | P.S.C. KY. NO           | ·                              |                      |
|               | 4 <sup>th</sup> Revised | _SHEET NO                      | 6                    |
|               | CANCELLING              | P.S.C. KY. NO                  |                      |
|               | 3rd Revised             | _SHEET NO                      | 6                    |
| RATES & CHARC | GES                     |                                |                      |

# A. GENERAL SERVICE MONTHLY RATES

Farmdale Water District (Name of Utility)

| 5/8".x 3       | 4" Meter          | _                        |
|----------------|-------------------|--------------------------|
| First          | 2,000 gallons     | \$17.92 Minimum Bill (I) |
| Next           | 3,000 gailons     | 5.96 per 1,000 gallons   |
| Next           | 5,000 gallons     | 5.50 per 1,000 gailons   |
| Over           | 10,000 gallons    | 5.02 per 1,000 gallons   |
| l" Mete        | ſ                 |                          |
| First          | 5,000 gallons     | \$35.80 Minimum Bill     |
| Next           | 5,000 gallons     | 5.96 per 1,000 gallons   |
| Next           | 140,000 gallons   | 5.50 per 1,000 gallons   |
| Over ,         | 150,000 gallons   | 5.02 per 1,000 gallons   |
| <u>4" Mete</u> | ſ                 |                          |
| First          | 50,000 gallons    | \$264.10 Minimum Bill    |
| Next           | 50,000 gallons    | 5.96 per 1,000 gallons   |
| Next           | 50,000 gallons    | 5.50 per 1,000 gallons   |
| Over           | , 150,000 gallons | 5.02 per 1,000 gallons   |
|                |                   |                          |

| DATE OF ISSUE                                                | December 4, 2017<br>Month / Date / Year               | · · · · · · · · · · · · · · · · · · ·                                    |
|--------------------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------------|
| DATE EFFECTIVE                                               | December 1, 2017<br>Month / Date/ Year                | KENTUCKY<br>PUBLIC SERVICE COMMISSION                                    |
| ISSUED BY Cliffer                                            | (Signature of Officer)                                | Gwen R. Pinson<br>Executive Director<br>Sturen R. Runson                 |
| BY AUTHORITY OF ORDER OF TH<br>IN CASE NO. <u>2017-00430</u> | IE PUBLIC SERVICE COMMISSION<br>DATEDDecember 4, 2017 | EFFECTIVE<br><b>12/1/2017</b><br>PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

#### Farmdale Water District

#### **Proposed Rates**

5/8"x3/4" Meter

| First | 2,000 gallons  |
|-------|----------------|
| Next  | 3,000 gallons  |
| Next  | 5,000 gallons  |
| Over  | 10,000 gallons |

1" Meter

| First | 5,000 gallons   |  |  |  |
|-------|-----------------|--|--|--|
| Next  | 5,000 gallons   |  |  |  |
| Next  | 140,000 gallons |  |  |  |
| Over  | 150,000 gallons |  |  |  |

4" Meter

| 50,000 gallons  |
|-----------------|
| 50,000 gallons  |
| 50,000 gallons  |
| 150,000 gallons |
|                 |

\$18.20 Minimum Bill 6.10 per 1,000 gallons 5.64 per 1,000 gallons 5.16 per 1,000 gallons

\$36.50 Minimum Bill 6.10 per 1,000 gallons 5.64 per 1,000 gallons 5.16 per 1,000 gallons

\$271.10 Minimum Bill 6.10 per 1,000 gallons 5.64 per 1,000 gallons 5.16 per 1,000 gallons

#### Notice

Due to an increase from its supplier, Farmdale Water District received approval from the Public Service Commission to adjust its rates for water service rendered on and after August 1,2018

| Monthly Rates<br>5/8' x ¾" Meter  | Prior Rates    | New Rates      | \$Change      |          | %Change |  |  |
|-----------------------------------|----------------|----------------|---------------|----------|---------|--|--|
| First 2000 gal.(Min. Bill)        | 17.92          | 18.20          | .28           |          | 1.6%    |  |  |
| Next 3000 gal.(per1,000ga         |                | 6.10           | .14           |          | 2.3%    |  |  |
| Next 5000 gal.(per1,000ga         | •              | 5.64           | .14           |          | 2.5 %   |  |  |
| Over10,000gal(per1,000ga          | •              | 5.16           | .14           |          | 2.8%    |  |  |
|                                   |                |                |               |          |         |  |  |
| 1" Meter                          |                |                |               |          |         |  |  |
| First 5,000 gal.(Min. Bill)       | 35.80          | 36.50          | .70           |          | 2.0%    |  |  |
| Next 5,000 gal.(per1,000g         | al) 5.96       | 6.10           | .14           |          | 2.3%    |  |  |
| Next 140,000 gal.(per1,00         | Ogal) 5.50     | 5.64           | .14           |          | 2.5%    |  |  |
| Over 150,000 gal.(per1,00         | 0gal) 5.02     | 5.16           | .14           |          | 2.8%    |  |  |
|                                   |                |                |               |          |         |  |  |
| 4" Meter                          |                |                |               |          |         |  |  |
| First 50,000 gal.(Min.Bill)       | 264.10         | 271.10         | 7.00          |          | 2.7%    |  |  |
| Next 50,000 gal.(per1,000         | gal) 5.96      | 6.10           | .14           |          | 2.3%    |  |  |
| Next 50,000 gal.(per1,000         | gal) 5.50      | 5.64           | .14           |          | 2.5%    |  |  |
| Over 150,000 gal.(per1,00         | 00gal) 5.02    | 5.16           | .14           |          | 2.8%    |  |  |
| Effective on Average Monthly Bill |                |                |               |          |         |  |  |
|                                   | Average usage  | Prior Avg.Bill | New Avg. Bill | \$Change | %Change |  |  |
| 5/8"x3/4" Meter(Res.)             | 5,000 gal.     | \$35.80        | \$36.50       | .70      | 2.0%    |  |  |
| 5/8"x3/4" Meter (Com.)            | 8,200 gal.     | 53.40          | 54.55         | 1.15     | 2.2%    |  |  |
| 1"Meter (Res.)                    | 9,800 gal.     | 64.41          | 65.78         | 1.37     | 2.1%    |  |  |
| 1" Meter (Com.)                   | 32,400 gal.    | 188.80         | 193.34        | 4.54     | 2.4%    |  |  |
| 4" Meter                          | 1,035,600 gal. | 5282.81        | 5427.80       | 144.99   | 2.7%    |  |  |

A person may examine this application at Farmdale's office located at 100 Highwood Dr. Frankfort,KY.

A person may also examine this application at the PSC located at 211 Sower Blvd. Frankfort, KY. Monday through Friday 8:00a.m. to 4:30p.m. or on the PSC Website at <u>http://psc.ky.gov</u>; telephone 502-564-3940