

SUIT, PRICE, PRICE & RUARK, PLLC

JAN 22 2019

Attorneys at Law

PUBLIC SERVICE
COMMISSION
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January 16, 2019

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Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RE: Application of Fleming County Water Association, Inc.
for a pass through of the increased cost of wholesale water
from the GREATER FLEMING COUNTY REGIONAL WATER COMMISSION

Dear Sirs:

Enclosed is an application in regards to the above matter.

The associations last rate increase and tariff is dated
June 25, 2014. The increased cost of water from our
supplier-Greater Fleming County Regional Water Commission
goes into effect as of February 1, 2019.

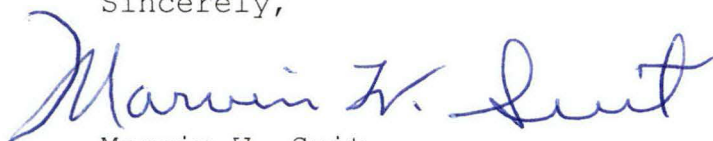
Fleming County Water Association purchased 334,739,100
gallons during the previous 12 month period of January 1,
2018 through December 31, 2018 and sold 229,130,220 gallons
during the same period.

Greater Fleming County Water Commission wholesale rate will
increase from \$1.86 per thousand gallons to \$2.00 per
thousand gallons effective February 1, 2019.

Please find attached the Purchased Water Adjustment for
Water Districts and Water Associations per 807 KAR 5:068.
The water adjustment factor is \$0.20 per 1,000 gallons with
the new rate increase from Greater Fleming County Regional
Water Commission.

If anything further is needed, please advise.

Sincerely,



Marvin W. Suit

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

RECEIVED

JAN 22 2019

PUBLIC SERVICE
COMMISSION

Name of Utility	Fleming County Water Association	
Date	1-8-2019	
Address	PO Box 327	
City, State, Zip	Flemingsburg, KY	41041
Telephone Number	606-845-3981	
Email Address	kcornette@richm.twcbc.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
Greater Fleming RWC	\$1.86	\$2.00
Rowan Water	\$1.87	\$1.87
Vanceburg EPB	\$1.68	\$1.68

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

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	January 2018	through	December 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 sheet if necessary.



Supplier(s)	Gallons Purchased during 12 month period
Greater Fleming RWC	324,000,000
Rowan Water	9,513,600
Vanceburg EPB	1,226,100
TOTAL PURCHASES	334,739,100
4. Total gallons sold for the 12 month period	229,130,220
5. Increased water cost	\$45,360
<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</p>	
6. Purchased water adjustment factor	\$0.20 per 1,000 gallons
<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 B	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit C	
9. Proposed effective date : February 1, 2019	
 Signature of Utility Officer	
 Title	

EXHIBIT A

Fleming County Water Association

SUPPLIER'S NOTICE OF CHANGED RATE



GREATER FLEMING COUNTY REGIONAL WATER COMMISSION

9147 Garrett Run Road, Vanceburg, KY 41179 Office – 606.407.3081

December 7, 2018

Fleming County Water Association
2772 Morehead Road
Flemingsburg, KY 41041

Dear Water Utility,

On December 5, 2018 the Greater Fleming County Regional Water Commission raised their rates to the Fleming County Water Association, the City of Flemingsburg, the Western Fleming Water District, and the Western Lewis-Rectorville Water District from \$1.86 per thousand gallons of water to \$2.00 per thousand gallons of water effective February 1, 2019.

Respectfully,

Chris Dunaway
Superintendent
Greater Fleming County
Regional Water Commission

EXHIBIT B

Fleming County Water Association

Schedule of Rates

	CURRENT RATES (Per 1,000 gallons)	PROPOSED RATES (Per 1,000 gallons)
Minimum Bill – 2,000 Gallons	\$18.30	\$18.70
Next 8,000 Gallons	\$6.75	\$6.95
Next 40,000 Gallons	\$5.30	\$5.50
Over 50,000 Gallons	\$4.10	\$4.30

EXHIBIT C

Fleming County Water Association

Minutes of Fleming County Water Association Adopting Changed Rates

RESOLUTION

WHEREAS, the Fleming County Water Association, Inc. of 2772 Morehead Road, P. O. Box 327, Flemingsburg, Kentucky 41041 is filing an Application with the Public Service Commission of Kentucky for matters including AN ORDER APPROVING THE ADJUSTMENT OF RATES, and

WHEREAS, Fleming County Water Association, Inc has not had an increase in water rates since 2014 and purchased water costs from the Greater Fleming County Regional Water Commission has increased from \$1.86 per thousand gallons to \$2.00 per thousand gallons of water effective February 1, 2019.

NOW THEREFORE, the following proposed rates for members are hereby adopted:

First	2,000 Gallons	\$18.70	Minimum Bill
Next	8,000 Gallons	6.95	Per 1,000 Gallons
Next	40,000 Gallons	5.50	Per 1,000 Gallons
Over	50,000 Gallons	4.30	Per 1,000 Gallons

I hereby certify that the foregoing resolution was adopted by the Board of Directors of the Fleming County Water Association, Inc. at its regular meeting on January 16, 2019.



WAYNE CRAFT, SECRETARY

**FLEMING COUNTY WATER ASSOCIATION, INC.
NOTICE OF PROPOSED RATE INCREASE**

In accordance with the requirements of the Public Service Commission of the Commonwealth of Kentucky, as set out in 807 KAR 5:068, Section 5(1) (B) notice is hereby given the members of the Fleming County Water Association, Inc. of a filing of an application with the Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, KY 40602 for permission to adjust their rate schedule as set forth herein

It is contemplated the new rates would become effective on February 1, 2019.

**CURRENT MONTHLY RATES OF SERVICE
ALL CUSTOMERS**

First 2,000 Gallons	\$18.30	Minimum Bill
Next 8,000 Gallons	6.75	Per 1,000 Gallons
Next 40,000 Gallons	5.30	Per 1,000 Gallons
Over 50,000 Gallons	4.10	Per 1,000 Gallons

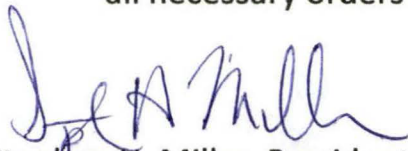
**PROPOSED MONTHLY RATES OF SERVICE
ALL CUSTOMERS**

First 2,000 Gallons	\$18.70	Minimum Bill
Next 8,000 Gallons	6.95	Per 1,000 Gallons
Next 40,000 Gallons	5.50	Per 1,000 Gallons
Over 50,000 Gallons	4.30	Per 1,000 Gallons

(a) The average Residential member bill of 3,177 gallons would increase by \$0.64 from \$26.24 to \$26.88 for a percentage increase of 2.44%. The next 8,000 gallons charge will increase \$0.20 per 1,000 gallons or 2.8%. The next 40,000 gallons charge will increase

\$0.20 per 1,000 gallons or 3.6%. The over 50,000 gallons charge will increase \$0.20 per 1,000 gallons or 4.6%.

- (b) A person may examine the application at the offices of the Fleming County Water Association, 2772 Morehead Road, Flemingsburg, Kentucky 41041.
- (c) A person may examine the application at the commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30p.m., or through the commission's Website at <http://psc.ky.gov>
- (d) Comments regarding the application may be submitted to the Public Service Commission through its website or by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602.
- (e) The proposed rates are required under the terms of an agreement between the Fleming County Water Association, Inc. and the United States Department of Agriculture-Rural Development; KRS 278.023 does not grant the Public Service Commission any discretionary authority to modify or reject any portion of the agreement between the USDA –Rural Development and the Fleming County Water Association, Inc. or to defer the issuance of all necessary orders to implement the terms of that agreement.



Signed: Stephen H. Miller, President

Fleming County Water Association, Inc.

P.O. Box 327

Flemingsburg, KY 41041