

SOUTHEAST DAVIESS COUNTY WATER DISTRICT

3400 Bittel Rd.
Owensboro, KY 42301
Phone: (270) 685-5594
Fax: (270) 683-6324

RECEIVED

MAR 29 2019

**PUBLIC SERVICE
COMMISSION**

March 26, 2019

To : Executive Director
Public Service Commission

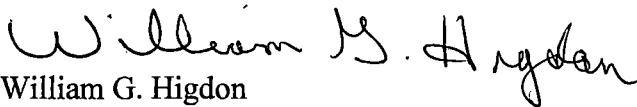
RE : Purchased Water Adjustment

To Whom It May Concern,

At the regular meeting of the Board of Commissioners of the Southeast Daviess County Water District on March 12, 2019, it was decided to file with the Public Service Commission a purchased water adjustment due to our supplier, Owensboro Municipal Utilities, increasing our wholesale rate. Attached you will find the original and 10 copies of the application along with supplemental information requested by the Public Service Commission.

If you have any questions concerning this request or need additional information, please contact our office. Thank You.

Sincerely,


William G. Higdon
Manager

RECEIVED

MAR 29 2019

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

**PUBLIC SERVICE
COMMISSION**

Name of Utility	SOUTHEAST DAVIESS COUNTY WATER DISTRICT	
Date	MARCH 12, 2019	
Address	3400 BITTEL RD	
City, State, Zip	OWENSBORO, KY	42301
Telephone Number	270-685-5594	
Email Address	kkrampe@oolwireless.net	

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
OWENSBORO MUNICIPAL UTILITIES	\$ 1.85 PER 1,000 GALLONS	\$ 1.89 PER 1,000 GALLONS

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	MARCH 2018	through	FEBRUARY 2019
	(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.

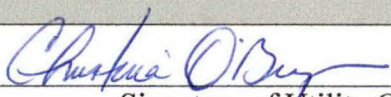
Supplier(s)	Gallons Purchased during 12 month period
OWENSBORO MUNICIPAL UTILITIES	671,740,440
TOTAL PURCHASES	671,740,440
4. Total gallons sold for the 12 month period	595,998,360
5. Increased water cost	\$ 26,869.62
<p>The increased water cost is the cost difference between purchases at base (current 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 B.</p>	
6. Purchased water adjustment factor	\$.05 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 C.	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit D.	
9. Proposed effective date	JUNE 1, 2019
 Signature of Utility Officer	
<i>Chairman</i> Title	



Exhibit A

March 8, 2019

Mr. William Higdon, Manager
Southeast Daviess County Water District
3400 Bittel Road
Owensboro, KY 42301

Re: Wholesale Water Rate Calculations

Dear Billy:

We have made the required rate calculations for fiscal year 2019-2020, as per the terms of our contract. A copy of these calculations is enclosed, as well as a copy of the fiscal year 2017-2018 true-up calculations.

Based on these calculations, the rate charged to the Southeast Daviess County Water District will increase to a rate of \$1.89 per thousand gallons for the fiscal year beginning June 1, 2019.

The ultimate per unit cost to Southeast District is dependent upon annual water usage and the costs contractually allocated to your district. Future year calculations may result in fluctuations in the rate per thousand gallons. The formal calculation will continue to be prepared annually.

Please contact me with any questions, or if you need further information.

Sincerely,

Keyin D. Frizzell
General Manager

Cc: Kentucky Public Service Commission
L. Holland, B. Howton, T. Lyons, J. Potts

Enclosures

Exhibit B

Southeast Daviess County Water District

Increased Water Cost and Purchased Water Adjustment Factor

Calculation for Increased Water Cost

		<u>Sales</u>	<u>Gallons Purchased</u>
Mar	2018	39,104,500	48,668,100
Apr		42,415,390	54,340,000
May		45,046,690	64,149,000
Jun		59,393,490	62,286,600
Jul		59,580,500	70,398,400
Aug		61,228,370	65,270,800
Sep		58,659,610	55,430,200
Oct		49,636,530	56,913,800
Nov		47,463,580	48,175,900
Dec		42,854,760	45,150,400
Jan	2019	46,009,500	55,214,340
Feb		44,605,440	45,742,900
		<u>595,998,360</u>	<u>671,740,440</u>

Current Wholesale Rate		1.850	
% increase	x	<u>1.0216</u>	2.16%
New Wholesale Rate		1.890	

Water cost at changed rate
 671,740,440 x 1.89 per 1,000 gallons = \$ 1,269,589.43

Water cost at base rate
 671,740,440 x 1.85 per 1,000 gallons = \$ 1,242,719.81

 Increased water cost \$ 26,869.62

Calculation for Purchased Water Adjustment Factor

Increase of water cost divided by total gallons sold divided by 1,000
 \$ 26,869.62 / 595,998,360 / 1000 gallons
 = 0.05 per 1,000 gallons

Exhibit C

Southeast Daviess County Water District

Current and Proposed Rates

<u>Description</u>	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>% Increase</u>
Residential, Apartments, Commercial, & Farmstead			
<u>Usage Charge</u>			
First 20,000 gallons (per 1,000 gallons)	3.83	3.88	1.31%
Over 20,000 gallons (per 1,000 gallons)	2.98	3.03	1.68%
Wholesale			
<u>Usage Charge</u>			
Per 1,000 gallon	2.24	2.29	2.23%

RESOLUTION NO. 2019-03-12

RESOLUTION OF THE SOUTHEAST DAVIESS COUNTY WATER DISTRICT APPROVING THE SUBMITTAL OF A PURCHASED WATER RATE ADJUSTMENT TO THE PUBLIC SERVICE COMMISSION

WHEREAS, Southeast Daviess County Water District (“District”) purchases water from Owensboro Municipal Utilities (“OMU”)

WHEREAS, OMU has informed the District by letter dated March 8, 2019 of its intent to increase the District’s wholesale water rate from \$ 1.85 to \$ 1.89 per 1,000 gallons effective June 1, 2019.

WHEREAS, the District may submit a purchased water rate adjustment to the Public Service Commission to recover the increased cost of water from OMU.

WHEREAS, the District’s calculation of the purchased water rate adjustment yields an increase of \$.05 per 1,000 gallons to the District’s water rate uniformly for all customers.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SOUTHEAST DAVIESS COUNTY WATER DISTRICT AS FOLLOWS:


Section 1. Approve the submittal of a purchased water adjustment to the Public Service Commission in the amount of \$.05 per 1,000 gallons for all customers of the Southeast Daviess County Water District to become effective June 1, 2019.

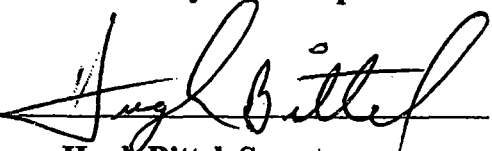
Section 2. Authorize the Chairperson to sign all necessary documents of the purchased water adjustment and tariff sheets to fully execute the purchased water adjustment submittal.

Section 3. This resolution shall take effect upon its adoption.

ADOPTED BY THE BOARD OF COMMISSIONERS OF THE SOUTHEAST DAVIESS COUNTY WATER DISTRICT AT A MEETING HELD ON MARCH 12, 2019, SIGNED BY THE CHAIRPERSON, AND ATTESTED BY THE SECRETARY.

SOUTHEAST DAVIESS COUNTY WATER DISTRICT

BY: 
Christina V. O'Bryan, Chairperson

ATTEST: 
Hugh Bittel, Secretary

FOR : Southeast Daviess County, Kentucky
Community, Town or City

P.S.C. KY. No. 1

3rd Revised Sheet No. 1

Southeast Daviess County Water District
(Name of Utility)

CANCELLING P.S.C. KY. No. 2018-00365

2nd Revised Sheet No. 1

RATES AND CHARGES

A. MONTHLY RATES:

Customer Charge

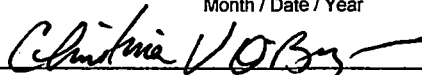
5/8" x 3/4" Meters	\$ 2.53 per month
1" Meters	\$ 3.54 per month
1 1/2" Meters	\$ 4.55 per month
2" Meters	\$ 7.34 per month
3" Meters	\$ 27.83 per month
4" Meters	\$ 35.42 per month
6" Meters	\$ 53.13 per month
8" Meters	\$ 73.37 per month

Usage Charge

First 20,000 gallons	\$ 3.88 per 1,000 gallons (l)
Over 20,000 gallons	\$ 3.03 per 1,000 gallons (l)

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE June 1, 2019
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE Board Chairperson

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

FOR : Southeast Daviess County, Kentucky
Community, Town or City

P.S.C. KY. No. 1

3rd Revised Sheet No. 5

Southeast Daviess County Water District

(Name of Utility)

CANCELLING P.S.C. KY. No. 2018-00365

2nd Revised Sheet No. 5

RATES AND CHARGES

E. PURCHASED WATER RATES:

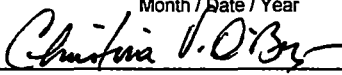
	<u>Rate</u>
Owensboro Municipal Utilities	\$ 1.89 per 1,000 Gallons (l)

F. WHOLESALE WATER RATES:

	<u>Rate</u>
City of Whitesville	\$ 2.29 per 1,000 Gallons (l)
East Daviess County Water Association	\$ 2.29 per 1,000 Gallons (l)
Owensboro Municipal Utilities	\$ 2.29 per 1,000 Gallons (l)

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE June 1, 2019
Month / Date / Year

ISSUED BY 
Signature of Officer

TITLE Board Chairperson

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____