



CITY OF HARRODSBURG

Mayor
William Whitenack

Commissioners
Kerry Anness • Adam Johnson
Marvin Isham • Jennifer Kazimer

September 27, 2022

Mr. Daniel Hinton
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40602-0615

RE: City of Harrodsburg Rate Increase

Dear Mr. Hinton:

Attached please find the notice and rate sheet for the City of Harrodsburg regarding the increases to Lake Village Water District and North Mercer Water District. Both entities have been sent notification of filing in writing by email.

The City of Harrodsburg has been in the process of updating our water infrastructure by expanding our water lines and replacing dated service lines. The rate increase is necessary to meet the requirements for funding of many projects. I have included documents from last year's audit as well as last year's budget. The audit includes data from ongoing water projects. The city had to borrow money from the General Fund to balance Water/Sewer Revenue (see line 05-000-4634 Other Sources) in last year's budget.

The city appreciates your consideration and assistance in this matter.

Respectfully,

Amy Kays-Huffman
Harrodsburg Water Department
Administrative Supervisor

FOR Harrodsburg, Kentucky
Name of Municipality

P.S.C. KY. NO. 1

8th Revised SHEET NO. 1

City of Harrodsburg Water Department
(Name of Municipal Utility)

CANCELLING P.S.C. KY. NO. 1

7th Revised SHEET NO. 1

RATES AND CHARGES

Rates for North Mercer Water District and Lake Village Water Association:

First	250 cubic feet	\$13.12	Minimum Bill	(I)(T)
Next	750 cubic feet	4.98	per 100 cubic feet	↓
Next	3,000 cubic feet	4.32	per 100 cubic feet	
Next	6,000 cubic feet	3.67	per 100 cubic feet	
Next	25,000 cubic feet	3.13	per 100 cubic feet	
Next	25,000 cubic feet	2.61	per 100 cubic feet	
Over	60,000 cubic feet	2.09	per 100 cubic feet	

Kentucky River Authority Withdrawal Fee:

Tier I Fee	\$0.02169200 per 100 cubic feet
Tier II Fee	<u>\$0.16456000</u> per 100 cubic feet
Sub-Total	\$0.18625200 per 100 cubic feet
Adjustment to recover the full cost of the KRA Fee	<u>\$0.00067590</u> per 100 cubic feet
Total for separate Line Item	<u>\$0.18692790</u> per 100 cubic feet

DATE OF ISSUE 10/11/2022
Month / Date / Year

DATE EFFECTIVE 10/31/2022
Month / Date / Year

ISSUED BY Billy Lohr
(Signature of Officer)

TITLE Mayor

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

NOTICE

The City of Harrodsburg ("Harrodsburg Water") plans to file with the Public Service Commission, no later than October 1st, 2022, a proposed rate schedule, to be effective October 31st, 2022, that will increase the wholesale rate charged to North Mercer Water District and Lake Village Water Association as follows:

			<u>Current Rate</u>	<u>Proposed Rate</u>	<u>\$ Change</u>	<u>% Change</u>
First	250	cubic feet (Min. Bill)	\$11.84	\$13.12	\$1.28	10.8% Increase
Next	750	cubic feet (per 100 cu. ft.)	4.50	4.98	0.48	10.7% Increase
Next	3,000	cubic feet (per 100 cu. ft.)	3.91	4.32	0.41	10.5% Increase
Next	6,000	cubic feet (per 100 cu. ft.)	3.32	3.67	0.35	10.5% Increase
Next	25,000	cubic feet (per 100 cu. ft.)	2.83	3.13	0.30	10.6% Increase
Next	25,000	cubic feet (per 100 cu. ft.)	2.36	2.61	0.25	10.6% Increase
Over	60,000	cubic feet (per 100 cu. ft.)	1.90	2.09	0.19	10.0% Increase

No change is being proposed to the Kentucky River Authority Withdrawal Fee.

Water flowing through the meter(s) before the effective date will be charged at the current rates while water flowing through the meter(s) on and after the effective date will be charged at the proposed rates.

This filing may be examined at the offices of Harrodsburg Water located at 208 South Main Street in Harrodsburg, Kentucky.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday – Friday from 8:00 am – 4:30 pm or on the PSC website at <http://psc.ky.gov>.

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort KY 40602; or through its website at <http://psc.ky.gov>.

The rates contained in this notice are the rates proposed by Harrodsburg Water but the Public Service Commission may order rates that differ from the proposed rates.

Intervention may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602. The request for intervention must establish the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing this notice, the Public Service Commission may take final action on the filing.

Account Number	Description	Requested 2022-2023
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WATER & SEWER OPERATING REVENUE

05-000-4230	Water Sales	\$ 2,500,000.00
05-000-4231	Water Taps	\$ 10,000.00
05-000-4232	Sewer Revenue	\$ 2,400,000.00
05-000-4233	Sewer Taps	\$ 15,000.00
05-000-4234	Waste Water Surcharge	\$ 8,000.00
05-000-4235	Merchandise & Labor	\$ 20,000.00
05-000-4237	Pretreatment Income	\$ 95,000.00
05-000-4238	Penalty	\$ 100,000.00
05-000-4240	Debit/Credit Card Access Fee	\$ -
05-000-4262	Interest Earned	\$ 3,000.00
05-000-4264	Sale of Fixed Assets	\$ 5,000.00
05-000-4266	Other Income	\$ 15,000.00
05-000-4271	Kia Grant	\$ -
05-000-4601	Garbage Service (gross)	\$ 680,000.00
05-000-4602	Garbage Facility Fee	\$ 192.00
05-000-4605	Transfers	\$ -
05-000-4610	Utility Tax	\$ 230.00
05-000-4630	Sales Tax	\$ 115,000.00
05-000-4632	Mercer Utility Tax	\$ 50,000.00
05-000-4633	Ky River Withdrawal Fee	\$ 200,000.00
05-000-4634	Other Sources	\$ 991,736.79
05-000-4635	REVENUE WATER SURCHARGE	\$ 62,000.00
05-000-4636	SEWER SURCHARGE	\$ 64,000.00
WATER & SEWER OPERATING REVENUE TOTAL		\$ 7,334,158.79