



Butler County
Water System

September 11, 2013

Mr. Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

RE: Tariff Revisions

Dear Mr. Derouen:

This letter accompanies the electronic filing of a several revisions to the Water System's tariff sheets. While most of the revisions are regarding the Water System's Rules and Regulations, one revision is in the Rates and Charges section. An increase in tap-on fees is proposed for meter sizes larger than 5/8 x 3/4 inch.

The existing schedule of tap-on charges was established in 1989 (Case No. 89-209). Since that time, costs for materials, labor, and equipment required for a meter installation have increased very significantly. These increases are much more pronounced for the larger size meters. Therefore, the Water System proposes that the charge for a 5/8 x 3/4 inch meter remain at \$450 as previously established. In the past 12 months the Water System has actually installed no meters larger than 5/8 x 3/4 inch, however material quotations plus estimates of other associated costs indicate that existing tap-on fees for larger meters are far too low.

The Water System proposes that the tap-on fees for all water service installations larger than 5/8 x 3/4 inch shall be the actual cost of the installation including the cost of crossing the road (if required) and any equipment necessary to meet the customer's water supply needs. An estimate of the cost shall be made by the Water System and paid in advance by the customer prior to the installation. Any over-payment shall be refunded by the Water System and any under-payment shall be paid by the customer to the Water System.

A copy of the public notice which is being published in the "Butler County Banner" for three consecutive weeks is attached. Please let us know if we need to provide any additional information.

Sincerely,

Alan Vilines
General Manager

AHV/ska

Attachments

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