

NORTHEAST WOODFORD WATER DISTRICT
225 A South Main Street
Versailles, KY 40383

June 7, 2004

RECEIVED

JUN 18 2004

PUBLIC SERVICE
COMMISSION

Public Service Commission
P.O. Box 615
Frankfort, KY 40602

Case 2004-00252

To the COMMISSION:

The Northeast Woodford Water district respectfully requests that the COMMISSION allow us to make an adjustment in our rates in accordance with 807 KAR 5:067 Purchased Water Adjustment Clause.

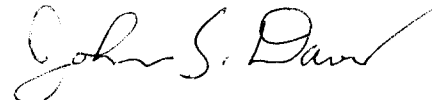
Its supplier, the City of Versailles has told the District that an \$0.02 per 1,000 gallon increase will take effect June 10, 2004. The District purchased 145,757,000 gallons from May 2003 to April 2004 at a total cost of \$291,053. The District sold 115,943,000 gallons to its customers, leaving 29,814,000 gallons unaccounted for as leaks, breaks, flushing and meter inaccuracies. The difference between the old cost and new cost is expected to be \$3,042.60 and the incremental cost in terms of water sold is \$0.03 per 1,000 gallons. We propose to raise each gallonage block that amount.

The following documents are enclosed:

- Exhibit A. Purchased Water Rate Adjustment
- Exhibit B. Copy of Wholesale Tariff
- Exhibit C. Statement of Water Purchased and Sold
- Exhibit E. Notice to Customers
- Exhibit F. Tariff Sheet

If you have any questions, please contact Warner Broughman at (859) 271-1778, as he is handling this matter.

Yours truly,



John Davis, Chairman

WAB/JD:pac

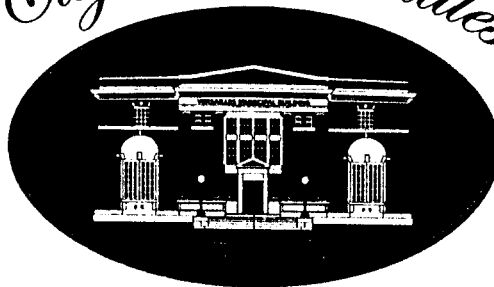
cc: Attorney General

Fred Siegelman
Mayor
(859) 873-4581

Allison B. White
Clerk/Treasurer
(859) 873-5436

Bart Miller
Public Works Director
(859) 873-2245

City Of Versailles



"A Renaissance Kentucky City"

William K. Moore
City Attorney
(859) 873-6207

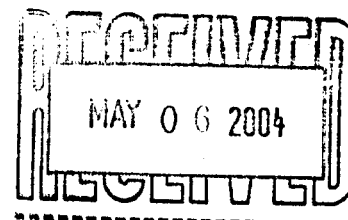
William Allen Love
Police Chief
(859) 873-3126

Frankie Shuck
Fire Chief
(859) 873-5829

Mr. Jonathan Davis
Northeast Woodford Water District
225 South Main St.
Versailles KY 40383

May 5, 2004

Dear Mr. Davis,



This letter is to inform you that the City of Versailles has, on this day, filed a rate increase request with the Kentucky Public Service Commission. This increase will impact your pricing by approximately 9/10th of one percent.

As we discussed at the Bluegrass Water Management Council meeting last month, the Versailles City Council has established a permanent, separate category for the two water districts that we serve and has given them their own price structure that is significantly less (11%) than our other users.

The rate change request is as follows:

Inside City Rates:

<u>Gallons of Water Used Per Month</u>	<u>Monthly Charge Per 1,000 Gallons</u>	
	Current	Proposed
Monthly Meter Charge	\$2.77	\$3.05
<i>Per 1,000 Gallons:</i>		
First 75,000 gal.	@ 2.10	
Next 75,000 gal.	@ 2.05	
First 150,000 gal.		@ 2.31
Next 850,000 gal.	@ 2.02	@ 2.24
* (All Over 1,000,000 gal.)	@ 2.00	@ 2.22

* = Not Applicable to Water Districts; see new "Wholesale Rate Category" below

Wholesale Rates (New Category):

(Same as Inside City through 1,000,000 gal.)

All over 1,000,000 gal. @ \$2.00

These rates would take effect with the meter reading beginning approximately June 10, 2004 and would first be reflected on your July 1, 2004 water bill.

We appreciate your business and look forward to continue working with you. If we can be of any assistance at all, let us know. Finally, feel free to call Bruce Southworth (Utility Manager), Jason Walton (Water Plant Superintendent) or me to arrange a tour of our water plant expansion. We are approaching the half-way point on the work, and anticipate being on-line in August or September of next year.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bart Miller', with a stylized flourish at the end.

Bart Miller

Cc: Mr. Mark David Goss
Chairman
Kentucky Public Service Commission

FOR _____
Community, Town or City

P.S.C. KY. NO. _____

SHEET NO. _____

CANCELLING P.S.C. KY. NO. _____

SHEET NO. _____

City of Versailles Municipal Water
(Name of Utility)

CLASSIFICATION OF SERVICE

RATE
PER UNIT

1. South Woodford Water District
2. Northeast Woodford Water District

PROPOSED:

Gallons of Water Used Per Month:

Monthly Charge Per 1,000 Gallons:

Monthly Meter Charge
 First 150,000
 Next 850,000
 All over 1,000,000

\$3.05 (0 gallons)
 2.31
 2.24
 2.00 (No Change)

CURRENT:

Gallons of Water Used Per Month:

Monthly Charge Per 1,000 Gallons:

(Monthly Meter Charge
 (First 75,000
 (Next 75,000
 (Next 850,000
 (All over 1,000,000

\$2.77 (0 Gallons)
 2.10)
 2.05)
 2.02)
 2.00)

DATE OF ISSUE: May 5, 2004
Month / Date / Year

DATE EFFECTIVE: June 10, 2004
Month / Date / Year

ISSUED BY: [Signature]
(Signature of Officer)

TITLE: Public Works Director

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. _____ dated _____.

CITY OF VERSAILLES
ORDINANCE NO. 2004- 11

AN ORDINANCE ESTABLISHING A NEW WATER RATE TABLE FOR
WHOLESALE PROVIDERS OF WATER

WHEREAS, the Versailles City Council has determined that it is necessary and advisable to create a new table of charges for customers of the City's water service who are wholesalers of water,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF VERSAILLES, KENTUCKY AS FOLLOWS:

SECTION ONE: A new section of the Versailles Code of City Ordinances is established for the purpose of setting water rates for entities which are wholesalers of water.

SECTION TWO: A wholesaler of water is defined as a person, firm, company or other entity that supplies water to no less than 25 separate customers utilizing its own water supply lines and which bills its customers for their separate water usage.

SECTION THREE: The water rates charged for water service provided to the City's customers who are wholesalers of water are as follows:

<u>Gallons of Water Used Per Month</u>	<u>Monthly Charge Per 1,000 Gallons</u>
<u>Minimum monthly charge</u>	<u>\$3.29</u>
<u>Per 1,000 Gallons</u>	
<u>First 150,000 gallons</u>	<u>\$ 2.25</u>
<u>Next 850,000</u>	<u>\$ 1.98</u>
<u>All over 1,000,000</u>	<u>\$ 2.00</u>


SECTION TWO: The rates set forth in this ordinance shall take effect with the meter reading for the month of June, 2004.

Introduced and given first reading at a meeting of the City Council of the City of Versailles, Kentucky, held on the 20th day of April, 2004, and fully adopted after the second reading at a meeting of said council held on the 4th day of May, 2004.

THE CITY OF VERSAILLES
COMMONWEALTH OF KENTUCKY


FRED SIEGELMAN, MAYOR

ATTEST:


ALLISON B. WHITE, CITY CLERK

Northeast Woodford Water District

Water Purchases from City of Versailles

Sales to Customers

	(1000's)		(1000's)	
	Gallons	\$ Sold	Gallons	\$ Purchased
May-03	7,101	\$20,848.00	11,010	\$22,048.00
June-03	10,735	\$38,897.00	13,546	\$27,120.00
July-03	7,048	\$23,580.00	14,596	\$29,220.00
August-03	11,388	\$36,426.00	18,456	\$36,940.00
September-03	12,897	\$45,358.00	14,975	\$29,978.00
October-03	10,261	\$33,057.00	10,499	\$21,026.00
November-03	7,637	\$25,348.00	12,820	\$25,668.00
December-03	10,105	\$37,224.00	7,547	\$15,123.00
January-04	6,100	\$20,876.00	15,661	\$31,351.00
February-04	9,499	\$30,862.00	10,556	\$20,339.00
March-04	7,760	\$25,791.00	9,696	\$19,421.00
April-04	15,412	\$48,583.00	6,395	\$12,819.00
Total	115,943	\$386,850.00	145,757	\$291,053.00

Northeast Woodford Water District, 225 A South Main Street, Versailles, Kentucky 40383, has filed an application with the Public Service Commission for a proposed rate change for water service. The change is made necessary due to an increase in the wholesale price of water from the City of Versailles. The rates contained in this notice are the rates proposed by Northeast Woodford Water District. However, the Public Service Commission may order rates to be changes that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this notice.

5/8 x 3/4 Meters

First 2,000 gallons per month	\$11.27 (minimum bill)
Next 2,000 gallons	\$ 3.96 per 1,000 gallons
Next 6,000 gallons	\$ 3.51 per 1,000 gallons
All over 10,000 gallons	\$ 3.00 per 1,000 gallons

2-inch Meters

First 20,000 gallons per month	\$70.25 (minimum bill)
All over 20,000 gallons per month	\$3.00 per 1,000 gallons

Any corporation, association, body politic or person may by motion within 30 days after publication of the proposed rate changes, request leave to intervene. The motion shall be submitted to the Public Service Commission, 211 Sower Blvd, P.O. Box 615, Frankfort, Kentucky 40602 and shall set forth the grounds for the request including status and interest of the party.

Intervenors may obtain copies of the application and testimony by contacting the applicant. A copy of the application and testimony is available for public inspection at the applicant's office.

EXHIBIT E

For Entire Service Area
Community, Town or City

Northeast Woodford Water District
225-A Main Street
Versailles, KY 40383

P.S.C. KY No.
Amended Sheet No. 1
Cancelling P.S.C. KY No. 2003-00143
Amended Sheet No. 1

CLASSIFICATION OF SERVICE **RATE PER UNIT**

Rates: 5/8 x 3/4 Inch Meter

First 2,000 gallons per month (minimum bill)	\$11.27 (I)
Next 2,000 gallons per month per 1,000 gallons	3.96 (I)
Next 6,000 gallons per month per 1,000 gallons	3.51 (I)
Next 10,000 gallons per month per 1,000 gallons	3.00 (I)

2 Inch Meter

First 20,000 gallons per month (minimum bill)	\$70.25 (I)
Over 20,000 gallons per month per 1,000 gallons	3.00 (I)

Date of Issue June 1, 2004 Date Effective July 31, 2004

Issued by Title: Chairman

Issued by the authority of an Order of the Public Service Commission of
Kentucky in Case No. _____ Dated _____