

Hendron WATER DISTRICT

4410 A. T. Massa Drive
McCracken County
PADUCAH, KY. 42003

RECEIVED
JUL 19 2004
PUBLIC SERVICE
COMMISSION

July 15, 2004

Thomas M. Dorman
Executive Director
KY Public Service Commission
P.O. Box 615
Frankfort, KY 40602

Case 2004-00288

**RE: HENDRON WATER DISTRICT – APPLICATION FOR PURCHASED WATER
ADJUSTMENT**

Enclosed is an original and 10 copies of an application for a purchased water rate adjustment for Hendon Water District. The adjustment is necessary to recover an increase in the cost of water attributable to our supplier's new wholesale rates. A copy of the suppliers' notice of the changed rate showing the effective date of the increase is attached.

The District will publish the enclosed public notice of these requested rate revisions in the local newspaper. In accordance with PSC rules and regulations, the notice will be published before the new bills are issued and will be published one time. A copy of the newspaper notice and an affidavit verifying publication will be forwarded to you upon publication.

The District has previously filed income statements and balance sheets with the Public Service Commission. These income statements and balance sheets are currently on file with the Commission.

Sincerely,

Hendron Water District

Don Peck
Chairman

DP:rg

Enclosure(s)

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

Hendron Water District _____
(Name of Utility)

July 15, 2004 _____
(Date)

4110 A.T. Massa Drive _____
(Address)

Paducah, KY 42003 _____
(City, State)

Case 2004-00288

270 - 554 - 1661 _____
(Telephone Number)

- 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 shedule must be shown. Attach additional sheets if necessary.

<u>Supplier(s)</u>	<u>Base Rate</u>	<u>Changed Rate</u>
Paducah Water Works _____	\$1.35 _____	\$1.45 _____
_____	_____	_____
_____	_____	_____

- 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 **JUNE - 2003** through **MAY - 2004**
(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
PADUCAH WATER WORKS	185,256,000
TOTAL PURCHASES	

4. Total sales for the 12 month period **165,902,200** .

5. Increased water cost \$18,525.60.

The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.

6. Purchased water adjustment factor \$0.11.

The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.

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. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.

7. Proposed effective date AUGUST 1, 2004.

Don Peck
(Signature of Utility Officer)

Chairman
(Title)

FOR: SERVICE AREA #1

P.S.C. NO. 4

2nd Revised SHEET NO. 1

CANCELING P.S.C. KY NO. 3

1st Revised SHEET NO. 1

HENDRON WATER DISTRICT

(Name of Utility)

RATES AND CHARGES

A. MONTHLY RATES:

Schedule No. 1:

Applicable within the service area of the Hendron Water District, described as project #APW-KY-140CL (PFL-KY-90), a map of which is on file in the utility office.

5/8" x 3/4" Meter

First 2,000 Gallons	\$7.94 Minimum Bill
Next 3,000 Gallons	\$3.87 Per 1,000 Gallons
Next 5, 000 Gallons	\$3.52 Per 1,000 Gallons
Next 10, 000 Gallons	\$3.07 Per 1,000 Gallons
Next 30,000 Gallons	\$2.97 Per 1,000 Gallons
Next 50,000 Gallons	\$2.77 Per 1,000 Gallons
Next 100,000 Gallons	\$2.67 Per 1,000 Gallons

3/4" Meter

First 3,500 Gallons	\$13.75 Minimum Bill
Next 1,500 Gallons	\$3.87 Per 1,000 Gallons
Next 5, 000 Gallons	\$3.52 Per 1,000 Gallons
Next 10, 000 Gallons	\$3.07 Per 1,000 Gallons
Next 30,000 Gallons	\$2.97 Per 1,000 Gallons
Next 50,000 Gallons	\$2.77 Per 1,000 Gallons
Next 100,000 Gallons	\$2.67 Per 1,000 Gallons

DATE OF ISSUE: _____ DATE EFFECTIVE: _____
Month Day Year Month Day Year

ISSUED BY: Don Perle CHAIRMAN 4110 A.T. Massa Drive, Paducah, KY 42003
Signature Of Officer Title Address

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

FOR: SERVICE AREA #1

P.S.C. NO. 4

2nd Revised SHEET NO. 2

CANCELING P.S.C. KY NO. 3

1st Revised SHEET NO. 2

HENDRON WATER DISTRICT

(Name of Utility)

RATES AND CHARGES

1" Meter

First 5, 000 Gallons	\$19.55 Minimum Bill
Next 5, 000 Gallons	\$3.52 Per 1,000 Gallons
Next 10, 000 Gallons	\$3.07 Per 1,000 Gallons
Next 30,000 Gallons	\$2.97 Per 1,000 Gallons
Next 50,000 Gallons	\$2.77 Per 1,000 Gallons
Next 100,000 Gallons	\$2.67 Per 1,000 Gallons

1 1/2" Meter

First 10, 000 Gallons	\$37.15 Minimum Bill
Next 10, 000 Gallons	\$3.07 Per 1,000 Gallons
Next 30,000 Gallons	\$2.97 Per 1,000 Gallons
Next 50,000 Gallons	\$2.77 Per 1,000 Gallons
Next 100,000 Gallons	\$2.67 Per 1,000 Gallons

2" Meter

First 20, 000 Gallons	\$67.85 Minimum Bill
Next 30,000 Gallons	\$2.97 Per 1,000 Gallons
Next 50,000 Gallons	\$2.77 Per 1,000 Gallons
Next 100,000 Gallons	\$2.67 Per 1,000 Gallons

DATE OF ISSUE: _____ DATE EFFECTIVE: _____
Month Day Year Month Day Year

ISSUED BY: Don Peck CHAIRMAN 4110 A.T. Massa Drive, Paducah, KY 42003
Signature Of Officer Title Address

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

FOR: SERVICE AREA #2

P.S.C. NO. 5

5th Revised SHEET NO. 3

CANCELING P.S.C. KY NO. 4

4th Revised SHEET NO. 3

HENDRON WATER DISTRICT

(Name of Utility)

RATES AND CHARGES

A. MONTHLY RATES:

Schedule No. 2:

Applicable within the service area of the Hendron Water District, described as project # PFL-KY-206, a map of which is on file in the utility office.

5/8" x 3/4" Meter

First 2,000 Gallons	\$10.94 Minimum Bill
Next 3,000 Gallons	\$3.87 Per 1,000 Gallons
Next 5, 000 Gallons	\$3.52 Per 1,000 Gallons
Next 10, 000 Gallons	\$3.07 Per 1,000 Gallons
Next 30,000 Gallons	\$2.97 Per 1,000 Gallons
Next 50,000 Gallons	\$2.77 Per 1,000 Gallons
Next 100,000 Gallons	\$2.67 Per 1,000 Gallons

3/4" Meter

First 3,500 Gallons	\$16.75 Minimum Bill
Next 1,500 Gallons	\$3.87 Per 1,000 Gallons
Next 5, 000 Gallons	\$3.52 Per 1,000 Gallons
Next 10, 000 Gallons	\$3.07 Per 1,000 Gallons
Next 30,000 Gallons	\$2.97 Per 1,000 Gallons
Next 50,000 Gallons	\$2.77 Per 1,000 Gallons
Next 100,000 Gallons	\$2.67 Per 1,000 Gallons

DATE OF ISSUE: _____
Month Day Year

DATE EFFECTIVE: _____
Month Day Year

ISSUED BY: *Don Peck* **CHAIRMAN** **4110 A.T. Massa Drive, Paducah, KY 42003**
Signature Of Officer Title Address

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

FOR: SERVICE AREA #2

P.S.C. NO. 5

5th Revised SHEET NO. 4

CANCELING P.S.C. KY NO. 4

4th Revised SHEET NO. 4

HENDRON WATER DISTRICT

(Name of Utility)

RATES AND CHARGES

1" Meter

First 5, 000 Gallons	\$22.55 Minimum Bill
Next 5, 000 Gallons	\$3.52 Per 1,000 Gallons
Next 10, 000 Gallons	\$3.07 Per 1,000 Gallons
Next 30,000 Gallons	\$2.97 Per 1,000 Gallons
Next 50,000 Gallons	\$2.77 Per 1,000 Gallons
Next 100,000 Gallons	\$2.67 Per 1,000 Gallons

1 1/2" Meter

First 10, 000 Gallons	\$40.15 Minimum Bill
Next 10, 000 Gallons	\$3.07 Per 1,000 Gallons
Next 30,000 Gallons	\$2.97 Per 1,000 Gallons
Next 50,000 Gallons	\$2.77 Per 1,000 Gallons
Next 100,000 Gallons	\$2.67 Per 1,000 Gallons

2" Meter

First 20, 000 Gallons	\$70.85 Minimum Bill
Next 30,000 Gallons	\$2.97 Per 1,000 Gallons
Next 50,000 Gallons	\$2.77 Per 1,000 Gallons
Next 100,000 Gallons	\$2.67 Per 1,000 Gallons

DATE OF ISSUE: _____
Month Day Year

DATE EFFECTIVE: _____
Month Day Year

ISSUED BY: *Don Beck* CHAIRMAN 4110 A.T. Massa Drive, Paducah, KY 42003
Signature Of Officer Title Address

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



The Clear Clean Choice

June 29, 2004

CERTIFIED MAIL

MR STEVE HAYDEN
HENDRON WATER DISTRICT
4410 A T MASSA DRIVE
PADUCAH KY 42003

Dear Steve:

SUBJECT: Rate Increase

I am writing to notify we have received approval from the Public Service Commission to increase the water rates to Hendron effective July 1, 2004. Effective this date, the rate charged will be \$1.45 per 1,000 gallons usage. This increase will become effective with the bill dated August 2004 in order to give you time to put in place any changes you deem necessary.

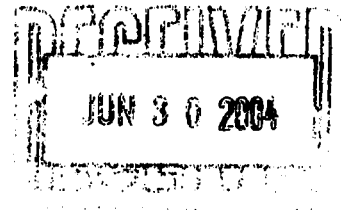
The PSC also approved a rate increase to become effective on July 1, 2005. Effective that date, the rate charged will be \$1.50 per 1,000 gallons usage. That increase will become effective with the bill dated August 2005.

If you have any questions, please advise.

Sincerely,

Glen Anderson
General Manager

sgs



HENDRON WATER DISTRICT
EXHIBIT A
PAGE 1 OF 2

FOR Paducah, Kentucky, and Vicinity
Community, Town or City

P.S.C. KY. NO. _____

SHEET NO. _____

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

SHEET NO. _____

Paducah Water Works
(Name of Utility)

RATES AND CHARGES

WHOLESALE RATES to become effective July 1, 2004:

Hendron Water District \$1.45 per 1,000 Gallons

West Paducah Water District \$1.45 per 1,000 Gallons

WHOLESALE RATES to become effective July 1, 2005:

Hendron Water District \$1.50 per 1,000 Gallons

West Paducah Water District \$1.50 per 1,000 Gallons

DATE OF ISSUE MAY 17, 2004
Month / Date / Year

DATE EFFECTIVE JULY 1, 2004
Month / Date / Year

ISSUED BY *Alan Anderson*
(Signature of Officer)

TITLE GENERAL MANAGER

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

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE**

JUL 01 2004

**PURSUANT TO 807 KAR 6011
SECTION 9 (1)
BY *[Signature]*
EXECUTIVE DIRECTOR**

COPY

NOTICE

Due to a rate increase from the Paducah Water Works, notice is hereby given that Hendron Water District has filed An Application for a Purchased Water Adjustment with the Kentucky Public Service Commission for the purpose of adjusting its water rates. Customer rates will increase by 11 cents per 1,000 gallons used. The proposed change will be effective for all bills issued for and after August 1, 2004.

Schedule No.1 - Project #APW-KY-140CL (PFL-KY-90)

5/8 x 3/4 Meter

First 2,000 Gallons	\$7.94 Minimum Bill
Next 3,000 Gallons	3.87 Per 1,000 Gallons
Next 5,000 Gallons	3.52 Per 1,000 Gallons
Next 10,000 Gallons	3.07 Per 1,000 Gallons
Next 30,000 Gallons	2.97 Per 1,000 Gallons
Next 50,000 Gallons	2.77 Per 1,000 Gallons
Next 100,000 Gallons	2.67 Per 1,000 Gallons

3/4 Inch Meter

First 3,500 Gallons	\$13.75 Minimum Bill
Next 1,500 Gallons	3.87 Per 1,000 Gallons
Next 5,000 Gallons	3.52 Per 1,000 Gallons
Next 10,000 Gallons	3.07 Per 1,000 Gallons
Next 30,000 Gallons	2.97 Per 1,000 Gallons
Next 50,000 Gallons	2.77 Per 1,000 Gallons
Next 100,000 Gallons	2.67 Per 1,000 Gallons

1 Inch Meter

First 5,000 Gallons	\$19.55 Minimum Bill
Next 5,000 Gallons	3.52 Per 1,000 Gallons
Next 10,000 Gallons	3.07 Per 1,000 Gallons
Next 30,000 Gallons	2.97 Per 1,000 Gallons
Next 50,000 Gallons	2.77 Per 1,000 Gallons
Next 100,000 Gallons	2.67 Per 1,000 Gallons

1 1/2 Inch Meter

First 10,000 Gallons	\$37.15 Minimum Bill
Next 10,000 Gallons	3.07 Per 1,000 Gallons
Next 30,000 Gallons	2.97 Per 1,000 Gallons
Next 50,000 Gallons	2.77 Per 1,000 Gallons
Next 100,000 Gallons	2.67 Per 1,000 Gallons

2 Inch Meter

First 20,000 Gallons	\$67.85 Minimum Bill
Next 30,000 Gallons	2.97 Per 1,000 Gallons
Next 50,000 Gallons	2.77 Per 1,000 Gallons
Next 100,000 Gallons	2.67 Per 1,000 Gallons

Schedule No. 2 – Project PFL-KY-206

5/8 x 3/4 Inch Meter

First 2,000 Gallons	\$10.94 Minimum Bill
Next 3,000 Gallons	3.87 Per 1,000 Gallons
Next 5,000 Gallons	3.52 Per 1,000 Gallons
Next 10,000 Gallons	3.07 Per 1,000 Gallons
Next 30,000 Gallons	2.97 Per 1,000 Gallons
Next 50,000 Gallons	2.77 Per 1,000 Gallons
Next 100,000 Gallons	2.67 Per 1,000 Gallons

3/4 Inch Meter

First 3,500 Gallons	\$16.75 Minimum Bill
Next 3,000 Gallons	3.87 Per 1,000 Gallons
Next 5,000 Gallons	3.52 Per 1,000 Gallons
Next 10,000 Gallons	3.07 Per 1,000 Gallons
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Next 100,000 Gallons	2.67 Per 1,000 Gallons

1 Inch Meter

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Next 100,000 Gallons	2.67 Per 1,000 Gallons

1 1/2 Inch Meter

First 10,000 Gallons	\$40.15 Minimum Bill
Next 10,000 Gallons	3.07 Per 1,000 Gallons
Next 30,000 Gallons	2.97 Per 1,000 Gallons
Next 50,000 Gallons	2.77 Per 1,000 Gallons
Next 100,000 Gallons	2.67 Per 1,000 Gallons

2 Inch Meter

First 20,000 Gallons	\$70.85 Minimum Bill
Next 30,000 Gallons	2.97 Per 1,000 Gallons
Next 50,000 Gallons	2.77 Per 1,000 Gallons
Next 100,000 Gallons	2.67 Per 1,000 Gallons

The monthly bill for a customer using an average of 5,000 gallons per month, in schedule 1, will increase \$0.55 from \$19.00 to \$19.55 or 2.89%. The monthly bill for a customer using an average of 5,000 gallons per month, in schedule 2, will increase \$0.55 from \$22.00 to \$22.55 or 2.50%.

The rates contained in this notice are the rates proposed by Hendron Water District. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this notice.

Hendron Water District has available for inspection at its office the application submitted to the Public Service Commission. The office is located at 4410 A.T. Massa Drive, Paducah, KY 42003.

Hendron Water District