

# SOUTH ANDERSON WATER DISTRICT

P. O. BOX 17, 246 COURT STREET  
LAWRENCEBURG, KY 40342  
502-839-6919

June 16, 2005

Commonwealth of Kentucky  
Public Service Commission  
Tariff Review Branch  
P. O. Box 615  
Frankfort, Kentucky 40601

RECEIVED

JUN 20 2005

Case 2005-00234

PUBLIC SERVICE  
COMMISSION

RE: Purchase Water Adjustment Request

Dear Sirs:

Transmitted herewith is a request to adjust the District's rates to cover the recent rate increase imposed by one of our suppliers the Frankfort Electric and Water Plant Board. If there are any questions please contact either the District or our engineer, Ken Taylor with Kenvirons, Inc. at 502 695 4357.

Sincerely,



Bob Kincer  
Chairman

Attachments

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

South Anderson Water District

\_\_\_\_\_  
(Name of Utility)

June 16, 2005  
(Date)

246 Court Street  
(Address)

Lawrenceburg, KY 40342  
(City, State)

502 839 6919  
(Telephone Number)

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- 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.

<u>Supplier(s)</u>	<u>Base Rate</u>	<u>Changed Rate</u>
<u>City of Lawrenceburg</u>	<u>*</u>	<u>*</u>
<u>Frankfort Plant Board</u>	<u>\$1.418 / 1,000 gal.</u>	<u>\$1.539 / 1,000 gal.</u>
_____	_____	_____

\* \$2.08/ 1,000 gal. for first 8,000,000 gallons per month and \$1.94/ 1,000 gal. for all over 8,000,000 gal. per month



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

6. Purchased water adjustment factor \$0.03/1,000 gallons.

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.

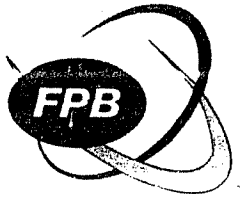
7. Proposed effective date August 1, 2005.

Bob Kincer  
(Signature of Utility Officer)

Bob Kincer, Chairman  
(Title)

EXHIBIT 1

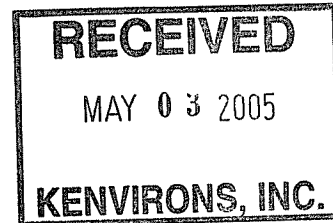
Warner Caines  
General Manager



\* Electric \* Water \* Cable  
\* Cable Advertising \* Community TV

Frankfort Plant Board

February 18, 2005



Mr. Alton Warfield  
South Anderson Water District  
246 Court Street  
Lawrenceburg, Kentucky 40342

RE: Proposed Water Rate Increase

Dear Mr. Warfield:

At their Regular Board Meeting on February 15, 2005, the Board of Directors of the Frankfort Plant Board approved the proposed water rate increase to all Resale Customers effective 30 days after notification has been given to the Public Service Commission. The Public Service Commission was notified on February 17, 2005. Any consumption used after March 19, 2005 will be calculated at the new rate of \$1.539 per 1,000 gallons.

Should you have any questions, please feel free to contact me at 502-352-4377.

Sincerely,

A handwritten signature in black ink, appearing to read "Warner J. Caines".

Warner J. Caines  
General Manager

WJC/abb  
Cc: Chron File

*Equal Opportunity/Affirmative Action Employer*

**Exhibit 2**  
Monthly Water Purchases

<b>Month</b>	<b>L'burg Meter 1</b>	<b>L'burg Meter 2</b>	<b>L'burg Total</b>	<b>F'fort P. B.</b>	<b>Combined Total</b>
May '04	2,113,000	7,023,000	9,136,000	2,201,400	11,337,400
June '04	3,000,000	9,781,000	12,781,000	2,259,600	15,040,600
July '04	2,958,000	9,004,500	11,962,500	2,337,900	14,300,400
Aug. '04	2,736,000	9,393,000	12,129,000	2,942,800	15,071,800
Sept. '04	3,034,000	9,268,000	12,302,000	2,831,800	15,133,800
Oct. '04	2,227,000	8,133,000	10,360,000	2,350,100	12,710,100
Nov. '04	2,128,000	7,665,000	9,793,000	2,243,100	12,036,100
Dec. '04	2,205,000	7,623,000	9,828,000	2,040,400	11,868,400
Jan. '05	2,788,000	9,682,000	12,470,000	2,336,300	14,806,300
Feb. '05	2,104,000	7,198,000	9,302,000	1,858,200	11,160,200
Mar. '05	2,010,000	6,751,000	8,761,000	1,903,600	10,664,600
April '05	2,504,000	9,184,000	11,688,000	1,834,700	13,522,700
<b>Totals</b>	<b>29,807,000</b>	<b>100,705,500</b>	<b>130,512,500</b>	<b>27,139,900</b>	<b>157,652,400</b>

\$157,652,400.00

Cost of L'burg water:	8,000,000x12x\$2.08/1,000=	\$199,680.00
	(130,512,500-96,000,000)\$1.94/1,000=	66,954.25
	Total	\$266,634.25
Cost of FPB water(old rate):	27,139,900x\$1.418/1,000	\$38,484.38
Cost of FPB water(new rate):	27,139,900x\$1.539/1,000	\$41,768.31
Combined Cost at old rate:		\$305,118.63
Combined Cost at new rate:		\$308,402.56
Difference in cost:		\$3,283.93

**PUBLIC NOTICE**  
**SOUTH ANDERSON WATER DISTRICT**  
**PURCHASED WATER ADJUSTMENT**

Due to an increase in the wholesale rate for water purchased from the Frankfort Electric and Water Plant Board, the South Anderson Water District has applied to the Kentucky Public Service Commission for a rate increase to cover its increased costs. The rates contained herein are the rates proposed by South Anderson Water District, however the Public Service Commission may order rates to be charged that are higher or lower than the rates proposed in this notice. Any corporation, association, body public or person may request leave to intervene by motion within thirty (30) days after notice of the proposed rates change is given. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Kentucky Public Service Commission, 211 Sower Boulevard, P. O. Box 615, Frankfort, KY 40602, and shall set forth the grounds for the motion including the status and interest of the party. Copies of the application may be obtained at no charge from the South Anderson Water District at 246 Court St., Lawrenceburg, KY 40342.

**MONTHLY WATER RATES**

	OLD RATE	NEW RATE
First 2,000 gallons	\$14.58	\$14.64 (minimum bill)
Next 1,000 gallons	7.14	7.17 per 1,000 gallons
Next 2,000 gallons	6.19	6.22 per 1,000 gallons
Next 2,000 gallons	5.29	5.32 per 1,000 gallons
Next 3,000 gallons	4.34	4.37 per 1,000 gallons
All over 10,000 gallons	4.04	4.07 per 1,000 gallons

The proposed rates are scheduled to go into effect with the first billing following August 1, 2005. The proposed rate increase will only recover the District's increase in the cost of purchased water.

FOR ANDERSON COUNTY, KENTUCKY  
Community, Town or City

P.S.C. KY. NO. 6 - 5TH REVISION

SHEET NO. 25

SOUTH ANDERSON WATER DISTRICT  
(Name of Utility)

CANCELLING P.S.C. KY. NO. 5

ORIGINAL SHEET NO. 25

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**RATES AND CHARGES**

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The following rates and charges are prescribed for the customers in the area served by South Anderson Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	2,000 gallons	\$14.64 Minimum Bill
Next	1,000 gallons	7.17 per 1,000 gallons
Next	2,000 gallons	6.22 per 1,000 gallons
Next	2,000 gallons	5.32 per 1,000 gallons
Next	3,000 gallons	4.37 per 1,000 gallons
All over	10,000 gallons	4.87 per 1,000 gallons

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DATE OF ISSUE June 16, 2005  
Month / Date / Year

DATE EFFECTIVE August 1, 2005  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

Bob Kincer

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_