BRONSTON WATER ASSOCIATION, INC. P.O. BOX 243 BRONSTON, KY 42518

(606) 561-5209

RECEIVED

June 27, 2006

JUL 3 2006

PUBLIC SERVICE COMMISSION

Ms. Beth O'Donnell
Executive Director
KY Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, Kentucky 40602-0615

Case No. 2006-00 336

Re:

Formal Application to Revise Certain Non-Recurring Charges

Dear Ms. O'Donnell:

This is an application to revise certain non-recurring charges for the Bronston Water Association, Inc. Attached is the non-recurring charge cost justification and the proposed tariff sheet.

Bronston Water Association, Inc. is not requesting a water rate increase at this time. However, increased costs attributable to certain non-recurring charges can no longer be absorbed by the Association. The customers affected by these increases will be the customers that cause the Association to incur these additional expenses. Additional revenue to be generated will not exceed 5% of the total revenue provided by all miscellaneous and non-recurring charges for the past 12 months.

The Association 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.

The Association will publish the enclosed public notices of these requested rate revisions in the local newspaper for three consecutive weeks.

A copy of this application and related filings has been sent to the Office of the Attorney General, State Capitol Building, Suite 118, Frankfort, Kentucky 40601.

Sincerely,

John Palmer, President

Enclosures

| | FOR Pulaski County, Kentucky Community, Town or City |
|---|--|
| | P.S.C. KY. NO |
| | SHEET NO |
| Bronston Water Association, Inc. | CANCELLING P.S.C. KY. NO. 1 |
| (Name of Utility) | Original SHEET NO. 6 |
| RAT | TES AND CHARGES |
| C. METER CONNECTION/TAP-ON | N CHARGES: |
| 5/8 Inch Meter | \$500.00 |
| 1 Inch Meter | \$875.00 |
| 1 ½ Inch Meter | Actual Cost |
| 2 Inch Meter | Actual Cost |
| Rock Bore 50 Feet of Rock Bore with Meter | Actual Cost anything over is at actual cost |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| DATE OF ISSUE June 27, 2006 Month / Date / Year | |
| DATE EFFECTIVE August 1, 2006 | 5 |
| ISSUED BY Month / Date / Year (Signature of Officer | , |
| TITLE President | |

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. _____DATED ____

AVERAGE METER CONNECTION EXPENSE COST JUSTIFICATION

| Name | of UtilityBro | nston Water Assoc | iation, Inc. | <u> </u> |
|---|----------------------------|-------------------|------------------|-------------------|
| The following is an itemization of expenses for providing a metered service connection. | | | | |
| <u>A.</u> | Meter Size | | | |
| 5/8- i n | ch X ¾-Inch X | 1-Inch | 1 ½-Inch | 2-Inch |
| Other | (specify) | | | |
| <u>B.</u> | Materials Expense | Quantity | <u>Unit Cost</u> | <u>Total Cost</u> |
| 1. | Water Meter | 1 | \$ 40.00 | \$ 40.00 |
| 2. | Meter Yoke | 1 | 45.00 | <u>45.00</u> |
| 3. | Corporation Stop | 1 | 15.00 | <u>15.00</u> |
| 4. | Meter Box and Top | 1 | 40.00 | 40.00 |
| 5. | Miscellaneous Fittings | 1 | 15.00 | 15.00 |
| 6. | Other (Itemize) Ind. PRV's | 1 | 25.00 | 25.00 |
| | Total Material Expenses | | | \$ <u>200.00</u> |

C. Service Pipe Expense

| Туре | of Service Pipe | Plastic/Polyethylene | Size of Service | 3/4-INCH . |
|------------|--|-----------------------|-----------------------|----------------------|
| | | Quantity | Unit <u>Cost</u> | Total <u>Cost</u> |
| 1. | Short Side Service | 25 | \$ <u>.20</u> | \$5.00 |
| 2. | Long Side Service | 50 | .20 | 10.00 |
| | Average Cost (Add total cost and di | vide by 2) | | \$ <u>7.50</u> |
| <u>D</u> . | Installation Expens | <u>e</u> | | |
| | <u>Labor</u> | | | |
| | | Total <u>Hours</u> | Hourly <u>Rate</u> | Total <u>Cost</u> |
| 1. | Short Side Service | 8 | \$ <u>15.00</u> | \$ <u>120.00</u> |
| 2. | Long Side Service | 12 | 15.00 | 180.00 |
| | Average Cost | | | \$ <u>150.00</u> |
| | (Add total cost and d | ivide by 2) | | |
| | Equipment | | | |
| | | Total <u>Hours</u> | Hourly <u>Rate</u> | Total <u>Cost</u> |
| 1. | Short Side Service | 2 | \$ 35.00 | \$ 70.00 |
| 2. | Long Side Service | 4 | 35.00 | 140.00 |
| 3. | Other (Itemize) Truck | & Trailer 2 | 30.00 | 60.00 |
| | Average Cost (Add total cost and c | livide by 3) | | \$ 90.00 |

Installation Expense continued

| | | Total <u>Hours</u> | Hourly <u>Rate</u> | Total <u>Cost</u> |
|-----------|--|--|--|--|
| 1. | Inspection | | \$ | \$ |
| 2. | Site Clean-up | Management of the Control of the Con | | |
| 3. | Other (Itemize) | And the second s | | |
| | Total Miscellaneous (Add total cost) | | | \$ |
| E | Overhead Expense | | | |
| 1. | Installation expense (\$ overhead rate | | | \$ <u>45.00</u> |
| <u>F.</u> | Administrative Expense | | | |
| 1. | Office expense for estable and billing reco | | | \$ <u>7.50</u> |
| <u>G.</u> | Total Expense | | | |
| 1. | Total of all items: | | | |
| | Material Expense Service Pipe Expe Installation Labor Installation Equipo Equipment Expen Miscellaneous Ex Overhead Expens Administration Ex | Expense ment Expense ise pense se pense | \$ 200.00 7.50 150.00 90.00 45.00 7.5 | <u>0</u> <u>0</u> - - <u>0</u> <u>0</u> |
| | Total Connection | Expense | \$ <u>500.0</u> | <u>0</u> |

AVERAGE METER CONNECTION EXPENSE COST JUSTIFICATION

| Name | of Utility Bro | nston Water Associa | tion, Inc. | • |
|---|----------------------------|---------------------|------------------|------------------|
| The following is an itemization of expenses for providing a metered service connection. | | | | |
| <u>A.</u> | Meter Size | | | |
| 5/8-Ind | ch %-Inch | 1-Inch X | 1 ½-Inch | 2-Inch |
| Other | (specify) | | | |
| <u>B.</u> | Materials Expense | <u>Quantity</u> | <u>Unit Cost</u> | Total Cost |
| 1. | Water Meter | 1 | \$ <u>132.50</u> | \$ <u>132.50</u> |
| 2. | Meter Yoke | 1 | 110.00 | 110.00 |
| 3. | Corporation Stop | 1 | 25.00 | 25.00 |
| 4. | Meter Box and Top | 1 | 120.00 | 120.00 |
| 5. | Miscellaneous Fittings | 1 | 20.00 | 20.00 |
| 6. | Other (Itemize) Ind. PRV's | 1 | | 0.00 |
| | Total Material Expenses | | | \$ <u>407.50</u> |

<u>C.</u> <u>Service Pipe Expense</u>

| Туре | of Service Pipe | Plastic/Polyethylene | _ Size of Service1 | -INCH . |
|------------|--|-----------------------|-----------------------|----------------------|
| | | <u>Quantity</u> | Unit <u>Cost</u> | Total <u>Cost</u> |
| 1. | Short Side Service | 25 | \$ <u>1.20</u> | \$ 30.00 |
| 2. | Long Side Service | 50 | 1.40 | 70.00 |
| | Average Cost (Add total cost and di | ivide by 2) | | \$ <u>50.00</u> |
| <u>D</u> . | Installation Expens | s <u>e</u> | | |
| | Labor | | | |
| | | Total <u>Hours</u> | Hourly <u>Rate</u> | Total <u>Cost</u> |
| 1. | Short Side Service | 8 | \$ _20.00 | \$ <u>160.00</u> |
| 2. | Long Side Service | 12 | 20.00 | 240.00 |
| | Average Cost | | | \$ <u>200.00</u> |
| | (Add total cost and d | livide by 2) | | |
| | Equipment | | | |
| | | Total <u>Hours</u> | Hourly <u>Rate</u> | Total <u>Cost</u> |
| 1. | Short Side Service | 2 | \$55.00 | \$ <u>110.00</u> |
| 2. | Long Side Service | 4 | 55.00 | 220.00 |
| | Average Cost (Add total cost and c | divide by 2) | | \$ <u>165.00</u> |

Installation Expense continued

| | | Total <u>Hours</u> | Hourly <u>Rate</u> | Total <u>Cost</u> |
|-----------|--|---|-----------------------|--|
| 1. | Inspection | | \$ | \$ |
| 2. | Site Clean-up | | | |
| 3. | Other (Itemize) | | | ····· |
| | Total Miscellaneous (Add total cost) | | | \$ |
| E | Overhead Expense | | | |
| 1. | Installation expense (\$ overhead rat | <u>150</u>) times e (<u>30</u> %) | | \$ <u>45.00</u> |
| <u>F.</u> | Administrative Expense | <u>)</u> | | |
| 1. | Office expense for esta and billing re | blishing a new account ecord. | | \$ <u>7.50</u> |
| <u>G.</u> | <u>Total Expense</u> | | | |
| 1. | Total of all items: | | | |
| | Equipment Expe Miscellaneous E Overhead Expe Administration E | pense or Expense pment Expense ense Expense nse Expense | | 0.00 0.00 0.00 0.00 0.00 0.00 7.50 |
| | Total Connection | n Expense | \$ 87 5 | <u>5.00</u> |

NOTICE

Bronston Water Association, Inc. proposes to make the following revisions to its schedule of charges. The proposed effective date for the change is <u>August 1, 2006</u>.

TAP FEES

| | <u>Current</u> | <u>Proposed</u> | % Change |
|-----------------|----------------|-----------------|----------|
| 5/8" X ¾" Meter | \$375.00 | \$500.00 | 25.00% |
| 1" Meter | \$750.00 | \$875.00 | 14.29% |

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

Any corporation, association, body politic, or person may, by motion within thirty (30) days after publication of this fee change, request leave to intervene; and the motion shall be submitted to the Public Service Commission, 211 Sower Boulevard, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the request including the status and interest of the party.

Intervenors may obtain copies of the application and related filings by contacting the Water Association.

The Water Association has available for inspection at its office the proposed changes to its Rules and Regulations. The Water Association office is located at 2266 Highway 90, Bronston, Kentucky 42518.

This notice is published pursuant to 807 KAR 5:011-Tariffs.

Bronston Water Association, Inc.

BRONSTON WATER ASSOCIATION, INC. P. O. BOX 243 BRONSTON, KY 42518 (606) 561-5209

RECEIVED

June 27, 2006

JUL 3 2006

Gregory D. Stumbo
Office of the Attorney General
The Capitol, Suite 118
700 Capital Avenue
Frankfort, Kentucky 40601

PUBLIC SERVICE COMMISSION

Re: Formal Application to Revise Certain Non-Recurring Charges

Dear Mr. Stumbo:

This filing shall serve notice that the Bronston Water Association, Inc. has filed an application with the Public Service Commission to adjust certain non-recurring charges.

Bronston Water Association, Inc. is not requesting a water rate increase at this time. However, increased costs attributable to certain non-recurring charges can no longer be absorbed by the Association. The customers affected by these increases will be the customers that cause the Association to incur these additional expenses. Additional revenue to be generated will not exceed 5% of the total revenue provided by all miscellaneous and non-recurring charges for the past 12 months.

The Association will publish a public notice of these requested rate revisions in the local newspaper for three consecutive weeks. You will find a copy of this publication notice enclosed.

Very truly yours,

John Palmer, President

Enclosure

BRONSTON WATER ASSOCIATION P.O. BOX 243 BRONSTON, KY 42518



RECEIVED

JUL 3 2006

PUBLIC SERVICE COMMISSION

TO:

MS BETH O'DONNELL EXECUTIVE DIRECTOR KY PUBLIC SERVICE COMMISSION 211 SOWER BLVD. PO BOX 615 FRANKFORT, KENTUCKY 40602-0615