

NORTHEAST WOODFORD WATER DISTRICT
225A SOUTH MAIN ST.
VERSAILLES, KY 40383

April 27, 2007

RECEIVED

MAY - 2 2007

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

PUBLIC SERVICE
COMMISSION

To the COMMISSION:

Case No. 2007-00176

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 a \$0.20 per 1,000 gallon increase will take effect May 1, 2007. The District purchased 171,204,000 gallons from January 2006 through December 2006. The District sold 133,948,000 gallons to its customers, leaving 37,256,000 gallons unaccounted for as leaks, breaks, flushing and meter inaccuracies. The difference between the old cost and new cost is expected to be \$34,240.80 and the incremental cost in terms of water sold is \$0.26 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

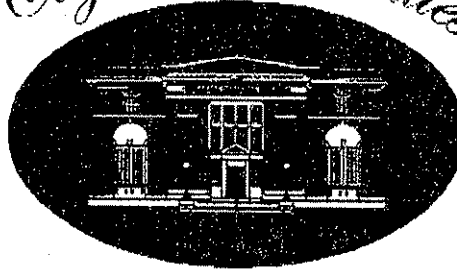
WAB/JD:pac
cc: Attorney General Greg Stumbo
Encl.

Fred Siegelman
Mayor
(859) 873-4581

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

Bruce Southworth
Public Works Director
(859) 873-2245

City Of Versailles



"A Renaissance Kentucky City"

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

John F. Wilhoit
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

Via Certified Mail

February 27, 2007

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.

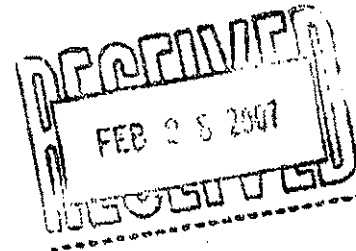
As you can see from the enclosure, the Proposed Rate is a flat \$2.20 per 1000 gallons of water used. This is the rate recommended by the Public Service Commission in the Wholesale Water Rate Analysis; a copy of which we sent to you in late January.

These rates would take effect with the meter reading beginning approximately April 10, 2007 and would first be reflected on your May 1, 2007 water bill.

We appreciate your business and look forward to continue working with you. If we can be of any assistance, let us know.

Sincerely,


Bruce Southworth
Public Works Director



Cc: Beth O'Donnell
Executive Director
Kentucky Public Service Commission

Kentucky
UNBRIDLED SPIRIT

196 South Main Street, P.O. Box 625, Versailles, Kentucky 40383
(859) 873-5969 Facsimile

FOR City of Versailles, Kentucky
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Versailles Municipal Utilities
(Name of Utility)

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

_____ SHEET NO. _____

RATES AND CHARGES

Monthly Wholesale Rates for: South Woodford Water District
Northeast Woodford Water District

Proposed:

<u>Gallons of Water Used Per Month:</u>	<u>Monthly Charge Per 1000 Gallons:</u>
Monthly Meter Charge	\$0.00
All Water Used	\$2.20

Current:

<u>Gallons of Water Used Per Month:</u>	<u>Monthly Charge Per 1000 Gallons:</u>
Monthly Meter Charge	\$3.05 (0 gallons)
First 150,000	\$2.31
Next 850,000	\$2.24
All over 1,000,000	\$2.00

NOTES: This Tariff cancels the rates that became effective June 10, 2004. The Proposed Rate is the wholesale rate recommended by PSC staff in their Wholesale Water Rate Analysis sent to Versailles Municipal Utilities on Nov., 28, 2006.

DATE OF ISSUE February 27, 2007
Month / Date / Year

DATE EFFECTIVE April 10, 2007 (May 1, 2007 Bill)
Month / Date / Year

ISSUED BY  Bruce Southworth
(Signature of Officer)

TITLE Public Works Director

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

Northeast Woodford Water District
Water Purchases from City of Versailles
Sales to Customers

	(1000's) Gallons Sold	(1000's) Gallons Purchased
January-06	10,992	11,991.8
February-06	11,994	11,733.7
March-06	9,498	13,109.6
April-06	10,084	12,599.9
May-06	10,701	13,106.5
June-06	11,435	15,347.9
July-06	13,874	16,758.8
August-06	14,192	18,327.5
September-06	13,462	16,550.0
October-06	10,980	13,987.8
November-06	7,368	15,685.5
December-06	9,368	12,005.0
Total	133,948	171,204

Northeast Woodford Water District
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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	\$11.79 (minimum bill)
Next 2,000 gallons	\$ 4.22 per 1,000 gallons
Next 6,000 gallons	\$ 3.77 per 1,000 gallons
All over 10,000 gallons	\$ 3.26 per 1,000 gallons

2-inch Meters

First 20,000 gallons per month	\$75.45 (minimum bill)
All over 20,000 gallons per month	\$ 3.26 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. 2004-00252
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)	\$11.79 (l)
Next 2,000 gallons per month per 1,000 gallons	4.22 (l)
Next 6,000 gallons per month per 1,000 gallons	3.77 (l)
Next 10,000 gallons per month per 1,000 gallons	3.26 (l)

2 Inch Meter

First 20,000 gallons per month (minimum bill)	\$75.45 (l)
Over 20,000 gallons per month per 1,000 gallons	3.26 (l)

Date of Issue May 1, 2007 Date Effective JUNE 15, 2007

Issued by John S. Davis Title: Chairman

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