

Case No: 2008-00343

**SOUTH ANDERSON WATER DISTRICT**

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

August 21, 2008

**RECEIVED**

AUG 25 2008

PUBLIC SERVICE  
COMMISSION

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

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 City of Lawrenceburg.

If there are any questions please contact either the District or our engineer, Ken Taylor with Kenvirons, Inc. at 502 695 4357.

Sincerely,



Eddie Stevens  
Chairman

Attachments

**RECEIVED**

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

AUG 26 2008

**PUBLIC SERVICE  
COMMISSION**

Name of Utility	South Anderson Water District	
Date	August 21, 2008	
Address	142 South Main Street	
City, State, Zip	Lawrenceburg, Kentucky	40342
Telephone Number	502-839-6919	

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.

Supplier(s)	Base Rate	Changed Rate
City of Lawrenceburg	\$2.00/1,000>8,000,000 \$2.15/1,000<8,000,000	\$2.10/1,000>8,000,000 \$2.25/1,000<8,000,000
Frankfort Plant Board	\$1.74/1,000 gal.	

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit

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	July, 2007	through	June, 2008
	(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
City of Lawrenceburg	150,021,000
Frankfort Plant Board	29,220,600
<b>TOTAL PURCHASES</b>	179,241,600
4. Total sales for the 12 month period	\$146,748,330
5. Increased water cost	$(\$0.10/1,000)(150,021,000) = \$15,002.10$
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	$\$15,002.10 \div 146,748,330 = \$0.10/1,000$
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p><b>Note:</b> 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.</p>	
7. Proposed effective date	October 1, 2008
Signature of Utility Officer	
Title	



# Exhibit I

## NOTICE

July 31, 2008

To: South Anderson Water District

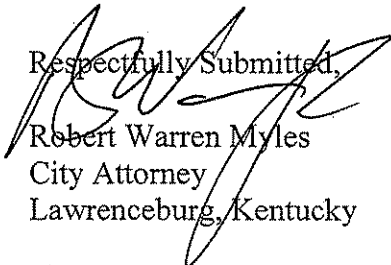
**PLEASE BE ADVISED AND TAKE NOTICE** that the City of Lawrenceburg has requested that the Public Service Commission grant an increase in the wholesale water fee charged to South Anderson Water District. Pending PSC approval, the new rate, effective on September 1, 2008, will be 10.00 cents per 1,000 gallons.

The new rate proposed by the City of Lawrenceburg has been presented to the Public Service Commission. The PSC may order rate changes that differ from the proposed rate set forth in this notice.

You are further notified and advised of the following:

1. The estimated effect of the proposed rate increase on South Anderson Water District will be a 6.3 cent increase per 1,000 gallons of water delivered.
2. Any corporation, association, or person with a substantial interest in the proposed rate increase may, by written request, within thirty (30) days after mailing of this notice, request to intervene and seek to influence the decision of the PSC.
3. Any person granted the right to intervene by the PSC may obtain copies of the rate application and other filings made by the City of Lawrenceburg pursuant to this rate increase request. Such information may be obtained by contacting the City of Lawrenceburg, Water Department, 100 North Main Street, Lawrenceburg, Kentucky 40342 or at 502-839-5372.
4. Any interested person may examine the rate application and other filings made by the City of Lawrenceburg pursuant to this rate increase request. Such information may be examined at the City of Lawrenceburg, Water Department, 100 North Main Street, Lawrenceburg, Kentucky 40342 or at 502-839-5372.

Respectfully Submitted,

  
Robert Warren Myles  
City Attorney  
Lawrenceburg, Kentucky



Mayor  
Edwinna Baker

City Clerk/ Administrator  
Robbie Hume

Office  
502-839-5372

Fax  
502-839-5106

Dear South Anderson Water District,

The Kentucky River Authority, at a recent meeting, passed a resolution to increase the Tier II water use fee to 6 cents per thousand gallons. The new rate went into effect on April 1, 2008. The Tier I fee was not increased. In accordance with this increase the Water District will be charged a withdrawal fee of 10 cents per thousand gallons of usage. This fee includes Tier I fees, Tier II fees, and a manufacturing and distribution loss factor of 1.8 cents per thousand gallons or 18 %. This fee will be reflected on the July 1 billing that is due and payable on July 15<sup>th</sup>.

Sincerely,

Edwinna Baker, Mayor

$6.0 \times 2.2 / 8.2$   
 $1.8 / 8.2 = 22\%$



COMMONWEALTH OF KENTUCKY

STEVEN L. BESHEAR  
Governor

KENTUCKY RIVER AUTHORITY  
70 WILKINSON BOULEVARD  
FRANKFORT, KENTUCKY 40601  
OFFICE (502) 564-2866  
FAX (502) 564-2681  
KRA.kv.gov

STEPHEN REEDER  
Executive Director

ROBERT W. WARE  
Chairman

January 3, 2008

Lawrenceburg Municipal Water Works  
Ms. Debbie Steele  
P.O. Box 290  
Lawrenceburg, Ky. 40342

Dear Ms. Steele:

The Kentucky River Authority, at its meeting of December 13, 2007, passed a resolution to increase the Tier II water use fee to 6 cents per thousand gallons. The new rate will be effective April 1, 2008 and appear on fee billings issued August 1, 2008. This rate increase is necessary to finance reconstruction of the dams providing your water supply from the Kentucky River. Specifically this increase will finance reconstruction of Dam 9 at Valley View, the first replacement of our aging dam system. The Tier I fee will remain at the current level of 2.2 cents per thousand gallons. By state law you may pass this fee on directly to your customers without action normally required for a rate increase.

Please take such actions as necessary, in preparation for the new level of fee assessments or call with any questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen Reeder".

Stephen Reeder  
Executive Director

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

Due to an increase in the wholesale rate for water purchased from the City of Lawrenceburg, 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	\$16.21	\$16.41 (minimum bill)
Next 1,000 gallons	7.94	8.04 per 1,000 gallons
Next 2,000 gallons	6.89	6.99 per 1,000 gallons
Next 2,000 gallons	5.90	6.00 per 1,000 gallons
Next 3,000 gallons	4.86	4.96 per 1,000 gallons
All over 10,000 gallons	4.53	4.63 per 1,000 gallons

The proposed rates are scheduled to go into effect with the first billing following October 1, 2008. 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. 6-7<sup>th</sup> 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	\$16.41 Minimum bill
Next	1,000 gallons	\$8.04 per 1,000 gallons
Next	2,000 gallons	\$6.99 per 1,000 gallons
Next	2,000 gallons	\$6.00 per 1,000 gallons
Next	3,000 gallons	\$4.96 per 1,000 gallons
All Over	10,000 gallons	\$4.63 per 1,000 gallons

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DATE OF ISSUE \_\_\_\_\_  
Month / Date / Year

DATE EFFECTIVE \_\_\_\_\_  
Month / Date / Year

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

TITLE \_\_\_\_\_

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION OF KENTUCKY

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

## SAWD WATER LOSS 2007

07/07 06/08	Purchased Water L'burg	Purchased Water F'fort	Total Water Purchased	Water Sold	Cust.	Water Loss		Accounted for Water	Unaccounted for Water	
	(gals)	(gals)	(gals)	(gals)		(gals)	%	(gals)	(gals)	%
Jul	13,795,000	3,778,900	17,573,900	13,099,900	2,601	4,474,000	25%	113,900	4,360,100	25%
Aug	12,994,000	3,547,700	16,541,700	17,719,700	2,677	-1,178,000	-7%	793,800	-1,971,800	-12%
Sep	13,893,000	2,901,400	16,794,400	12,171,800	2,679	4,622,600	28%	903,000	3,719,600	22%
Oct	11,514,000	3,226,000	14,740,000	14,450,700	2,680	289,300	2%	714,500	-425,200	-3%
Nov	11,164,000	2,489,500	13,653,500	10,346,100	2,684	3,307,400	24%	926,567	2,380,833	17%
Dec	11,675,000	2,659,600	14,334,600	9,960,000	2,687	4,374,600	31%	5,430	4,369,170	30%
Jan	11,598,000	3,087,500	14,685,500	13,549,220	2,681	1,136,280	8%	487,900	648,380	4%
Feb	14,668,000	1,395,000	16,063,000	9,713,010	2,678	6,349,990	40%	1,658,600	4,691,390	29%
Mar	10,719,000	1,524,900	12,243,900	10,217,120	2,678	2,026,780	17%	514,600	1,512,180	12%
Apr	10,128,000	1,340,700	11,468,700	10,061,180	2,678	1,407,520	12%	565,200	842,320	7%
May	12,494,000	1,510,700	14,004,700	11,400,600	2,686	2,604,100	19%	952,300	1,651,800	12%
Jun	15,379,000	1,758,700	17,137,700	14,059,000	2,696	3,078,700	18%	132,650	2,946,050	17%
Totals	150,021,000	29,220,600	179,241,600	146,748,330		32,493,270	18%			
Avg			14,936,800	12,229,028	2,675	2,707,773	18%	647,371	2,060,402	14%
Min			11,468,700	9,713,010	2,601	-1,178,000		5,430	-1,971,800	
Max			17,573,900	17,719,700	2,696	6,349,990		1,658,600	4,691,390	