

ELKHORN WATER DISTRICT
P.O. BOX 67
FRANKFORT, KY 40602

November 12, 2008

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

RECEIVED

NOV 20 2008

PUBLIC SERVICE
COMMISSION

2008-00481

To the Commission:

The Elkhorn Water District respectfully requests that the Commission allow us to make an adjustment in our rates in accordance with 807 KAR 5:068 Purchased Water Adjustment Clause.

The District purchased 63,144,500 gallons from October 2007 to September 2008. The District sold 59,830,400 gallons to its customers. The effective cost of water purchased was 1.539 (1.589 with the Ky River Authority fee) during the test period. With the increase by the KY River Authority to the Frankfort Electric and Water Plant Board the new cost is expected to be 1.6355 making the total new cost \$103,272.83. The difference between the old cost and the new cost is expected to be \$2,936.22; the incremented cost in terms of water sold is \$.05 per 1,000 gallons. We propose to raise each gallonage block that amount.

The following documents are enclosed:

Purchased Water Rate Adjustment

Copy of Tariff

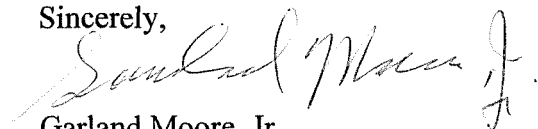
Statement of Water Purchased and Sold

Notice to Customers

Tariff Sheet

If you have any questions, please contact Jolene Parris at 502-695-4431.

Sincerely,



Garland Moore, Jr.
Chairman

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

| | | |
|------------------|-----------------------|-------|
| Name of Utility | ELKORN WATER DISTRICT | |
| Date | 11/12/08 | |
| Address | PO BOX 67 | |
| City, State, Zip | FRANKFORT, KY | 40602 |
| Telephone Number | 502-695-4431 | |

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 |
|-------------|-----------|--------------|
| FEWPB | 1.539 | 1.6355 |
| | | |
| | | |
| | | |

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

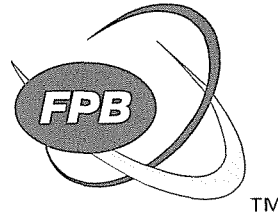
2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

| | | | |
|------|------------------|---------|------------------|
| From | October 2007 | through | September 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 |
|--|--|--|
| FEWPB | | 63,144,500 |
| | | |
| | | |
| TOTAL PURCHASES | | 63,144,500 |
| | | |
| 4. Total sales for the 12 month period | | 59,830,400 |
| | | |
| 5. Increased water cost | | 2,936.22 |
| The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. | | |
| | | |
| 6. Purchased water adjustment factor | | .05 |
| The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold. | | |
| <p>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.</p> | | |
| | | |
| 7. Proposed effective date | | November 30, 2008 |
| | | |
|  Signature of Utility Officer | | |
| Title | | |

Warner J. Caines
General Manager



Frankfort Plant Board

Water
Cable
Electric
Security
Local Phone
Digital Cable
Long Distance
Community TV
Ethernet/Internet
Cable Modem/ISP
Cable Advertising

October 31, 2008

Elkhorn Water District
Attn: Dale Gatewood
P.O. Box 67
Frankfort, KY 40602

Dear Mr. Gatewood:

Enclosed is the new tariff that Frankfort Electric and Water Plant Board filed with the Public Service Commission on October 30, 2008 reflecting the new Kentucky River Authority's withdrawal fee. This tariff does not increase Frankfort Plant Board's wholesale rate. Rather, it permits "pass through" of the new KRA fee.

If you have any questions, please do not hesitate to contact me at (502) 352-4377.

Sincerely,

A handwritten signature in black ink, appearing to read "Warner Caines", is written over the word "Sincerely,".

Warner Caines
General Manager

WJC/mw
Enclosure

Equal Opportunity/Affirmative Action Employer

317 West Second Street (P.O. Box 308) Frankfort, Kentucky 40602 Phone (502) 352-4372
Fax (502) 223-3887 www.fpb.cc

CITY OF FRANKFORT, KY.

FRANKFORT ELECTRIC AND WATER PLANT BOARD

NOTICE TO CUSTOMERS

WATER RATE ADJUSTMENT

PUBLIC SERVICE COMMISSION

Pursuant to the Regulations of the Public Service Commission (Commission), the Frankfort Electric and Water Plant Board (FEWPB) gives Notice that it has filed a proposed rate schedule which will increase the separate line item rate of the Kentucky River Authority Withdrawal Fee for water service for the Elkhorn Water District, Farmdale Water District, North Shelby Water District, Peaks Mill Water District, South Anderson Water District, and U.S. 60 Water District with the Commission. It proposes the rate listed below, which is approximately a 93% increase over the current rate to be effective November 30, 2008. Further information may be obtained from the Commission or the Frankfort Electric & Water Plant Board. The rates proposed in this Notice may be modified by the Commission. Such action by the Commission may result in the rates being higher or lower than proposed by Frankfort Electric & Water Plant Board.

Any corporation, association, body politic or person may by timely motion, within 30 days of this Notice, request intervention. Intervention beyond the 30 day period may be granted for good cause shown. The Motion must be submitted to the Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, Kentucky 40602 and should state the grounds for the request, including the interest and status of the party. Intervenors may obtain copies of the Application and any testimony filed by contacting the Frankfort Electric & Water Plant Board at the address below. A copy of the Application is available for public review at the office of the Frankfort Electric & Water Plant Board and at the Public Service Commission, 211 Sower Blvd., Frankfort, Kentucky 40601, (502) 564-3940.

Warner J. Caines
General Manager
317 W. Second Street
Frankfort, Kentucky 40601
(502) 352-4377

Current Rate: 5 cents per 1,000 gallons
Proposed Rate: 9.65 cents per 1,000 gallons

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. 2

The Electric and Water Plant
Board of the City of Frankfort, Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. N/A

N/A SHEET NO. N/A

RULES AND REGULATIONS

APPLICABILITY: All wholesale water users regulated by the Public Service Commission purchasing water from the FEWPB for resale.

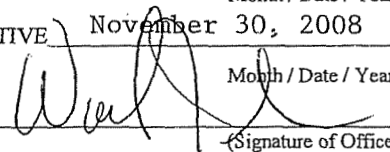
KENTUCKY RIVER AUTHORITY WITHDRAWAL FEE:

| | |
|--|---------------------------------------|
| Tier I Fee | 2.2 cents per thousand gallons |
| Tier II Fee | <u>6.0 cents per thousand gallons</u> |
| Subtotal | 8.2 cents per thousand gallons |
| Adjustment to recover the full cost of the KRA fee | 1.45 cents per thousand gallons |
| Total for separate line item | 9.65 cents per thousand gallons |

NOTE: This adjustment recovers the increase in the Kentucky River Authority withdrawal fee adjusted for water loss. All other charges remain in full force and effect.

DATE OF ISSUE October 30, 2008
Month / Date / Year

DATE EFFECTIVE November 30, 2008
Month / Date / Year

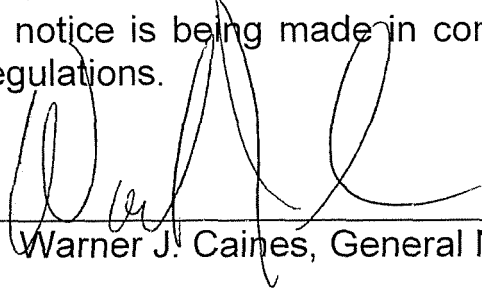
ISSUED BY 
(Signature of Officer)

TITLE General Manager

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

CERTIFICATION OF NOTICE TO CUSTOMERS

I, Warner J. Caines, General Manager of the Frankfort Electric & Water Plant Board, certify that the attached notice is being made in compliance with the Public Service Commission regulations.



Warner J. Caines, General Manager

WATER PURCHASED AND SOLD

| <u>Water Purchased</u> | | <u>Water Sold</u> | |
|-------------------------------|-------------------|--------------------------|--|
| Oct | 5,422,300 | 4,277,700 | |
| Nov | 4,837,200 | 3,299,800 | |
| Dec | 4,636,000 | 5,950,000 | |
| Jan | 6,608,300 | 3,982,500 | |
| Feb | 5,695,600 | 5,984,400 | |
| Mar | 5,960,900 | 4,270,000 | |
| April | 4,440,900 | 5,799,150 | |
| May | 4,521,900 | 4,575,450 | |
| June | 5,910,800 | 5,299,700 | |
| July | 5,551,500 | 5,276,700 | |
| Aug | 4,319,300 | 4,551,500 | |
| Sep | 5,239,800 | 5,563,500 | |
| Total | 63,144,500 | 59,830,400 | |

NOTICE TO CUSTOMERS

Elkhorn Water District has made an adjustment in rates due to the increase by the KY River Authority to the Frankfort Electric and Water Plant Board. The change is made necessary due to the increase in the wholesale price of water from our supplier, Frankfort Electric and Water Plant Board.

Monthly Rates

General Service

| | |
|-----------------------------------|------------------------|
| First 2,000 gallons per month | \$12.93 Minimum Bill |
| Next 3,000 gallons per month | 4.82 per 1,000 Gallons |
| Next 5,000 gallons per month | 4.24 per 1,000 Gallons |
| All over 10,000 gallons per month | 3.01 per 1,000 Gallons |

General Service Meters

| | |
|----------|------------------------|
| 5/8 inch | 2,000 gallons \$12.93 |
| 1 inch | 5,000 gallons \$27.29 |
| 1 ½ inch | 10,000 gallons \$48.49 |

Mobile Home Parks

| | |
|-----------|------------------------|
| McConnell | 15,000 gallons \$96.98 |
| Elkhorn | 76,000 gallons 491.34 |
| Capital | 125,000 gallons 808.13 |

The application is on file at the office of Elkhorn Water District, Frankfort, Kentucky and is available for during examination during office hours.

FOR Entire Area Served
Community, Town or City

P.S.C. KY. NO. _____

SHEET NO. _____

ELKHORN WATER DISTRICT
(Name of Utility)

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

SHEET NO. _____

RATES AND CHARGES

Usage Blocks

First 2,000 Gallons
Next 3,000 Gallons
Next 5,000 Gallons
Over 10,000 Gallons

Monthly Rates

\$12.93 Minimum Bill
4.82 Per 1,000 Gallons
4.24 Per 1,000 Gallons
3.01 Per 1,000 Gallons

Meter Sizes

1 inch Meter
1 1/2 inch Meter

Monthly Minimum Bills

5,000 Gallons \$27.29
10,000 Gallons \$48.49

All usage in excess of the minimum bill shall be billed according to the General Rate Schedule.

Mobile Home Parks

McConnell
Elkhorn
Capital

Monthly Minimum Bills

15,000 Gallons \$96.98
76,000 Gallons \$491.34
125,000 Gallons \$808.13

Emergency Wholesale Rate

3.01 Per 1,000 Gallons

Anyone who wishes to purchase water at the emergency wholesale rate shall pay any costs associated with the emergency hookup.

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____

ISSUED BY *Sue L. Moore* _____
Month / Date / Year
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____