

Union County Water District

P.O. Box 146
Morganfield, Kentucky 42437
389-3868

January 16, 2009

RECEIVED

JAN 21 2009

PUBLIC SERVICE
COMMISSION

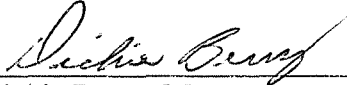
Executive Director
KY Public Service Commission
P.O. Box 615
Frankfort, KY 40602

2009-00027

RE: Formal Application for a Purchased Water Adjustment

Enclosed is the published public notice of the requested rate revisions from the local newspaper. In our formal application that was mailed to you January 13, 2009 we noted that the newspaper notice would be forwarded to you upon publication.

Sincerely,



Dickie Berry, Manager

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

RECEIVED

JAN 21 2009

PUBLIC SERVICE
COMMISSION

Name of Utility	Union County Water District		
Date	December 31, 2008		
Address	P.O. Box 146 409 North Court St		
City, State, Zip	Morganfield, KY	42437	
Telephone Number	270-389-3868		

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.

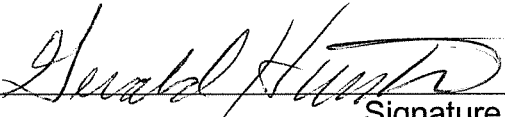
Supplier(s)	Base Rate	Changed Rate
City of Morganfield	1.6450	1.3487

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

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	December 2007	through	November 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 Morganfield		270,027,900 gals
TOTAL PURCHASES		270,027,900 gals
4. Total sales for the 12 month period	246,593,700 gals	
5. Increased water cost	(\$80,009.27)	
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.		
6. Purchased water adjustment factor	(\$0.3245)	
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	December 31, 2008	
		
Signature of Utility Officer		
Chairman		
Title		

FOR Union County Water District
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. 1 _____

Union County Water District
(Name of Utility)

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

_____ SHEET NO. _____

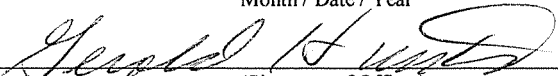
RATES AND CHARGES

5/8" Meter	First	2,000 gallons	\$10.70 minimum bill
	Next	3,000 gallons	5.35 per 1,000 gallons
	Next	5,000 gallons	4.95 per 1,000 gallons
	Next	15,000 gallons	4.60 per 1,000 gallons
	Next	25,000 gallons	4.30 per 1,000 gallons
	Next	50,000 gallons	3.90 per 1,000 gallons
	Next	100,000 gallons	3.50 per 1,000 gallons
	Next	100,000 gallons	3.10 per 1,000 gallons
	All over	300,000 gallons	2.70 per 1,000 gallons
3/4" Meter	First	5,000 gallons	\$26.73 minimum bill
	Next	5,000 gallons	4.95 per 1,000 gallons
	Next	15,000 gallons	4.60 per 1,000 gallons
	Next	25,000 gallons	4.30 per 1,000 gallons
	Next	50,000 gallons	3.90 per 1,000 gallons
	Next	100,000 gallons	3.50 per 1,000 gallons
	Next	100,000 gallons	3.10 per 1,000 gallons
	All over	300,000 gallons	2.70 per 1,000 gallons
1" Meter	First	10,000 gallons	\$51.45 minimum bill
	Next	15,000 gallons	4.60 per 1,000 gallons
	Next	25,000 gallons	4.30 per 1,000 gallons
	Next	50,000 gallons	3.90 per 1,000 gallons
	Next	100,000 gallons	3.50 per 1,000 gallons
	Next	100,000 gallons	3.10 per 1,000 gallons
	All over	300,000 gallons	2.70 per 1,000 gallons

1 1/2" Meter	First	25,000 gallons	\$120.39 minimum bill
	Next	25,000 gallons	4.30 per 1,000 gallons
	Next	50,000 gallons	3.90 per 1,000 gallons
	Next	100,000 gallons	3.50 per 1,000 gallons
	Next	100,000 gallons	3.10 per 1,000 gallons
	All over	300,000 gallons	2.70 per 1,000 gallons
2" Meter	First	50,000 gallons	\$227.77 minimum bill
	Next	50,000 gallons	3.90 per 1,000 gallons
	Next	100,000 gallons	3.50 per 1,000 gallons
	All over	300,000 gallons	2.70 per 1,000 gallons
2 1/2" Meter	First	75,000 gallons	\$325.16 minimum bill
	Next	25,000 gallons	3.90 per 1,000 gallons
	Next	100,000 gallons	3.50 per 1,000 gallons
	Next	100,000 gallons	3.10 per 1,000 gallons
	All over	300,000 gallons	2.70 per 1,000 gallons
3" Meter	First	100,000 gallons	\$422.54 minimum bill
	Next	100,000 gallons	3.50 per 1,000 gallons
	Next	100,000 gallons	3.10 per 1,000 gallons
	All over	300,000 gallons	2.70 per 1,000 gallons
4" Meter	First	200,000 gallons	\$772.08 minimum bill
	Next	100,000 gallons	3.10 per 1,000 gallons
	All over	300,000 gallons	2.70 per 1,000 gallons
6" Meter	First	300,000 gallons	\$1,081.62 minimum bill
	All over	300,000 gallons	2.70 per 1,000 gallons

DATE OF ISSUE December 31, 2008
Month / Date / Year

DATE EFFECTIVE December 31, 2008
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE Chairman

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

NOTICE

Union County Water District has filed an application with the Public Service Commission to decrease its rates for water service. The proposed effective date of the change is December 31, 2008.

			<u>Current</u>	<u>Proposed</u>	<u>% Decrease</u>	
<u>5/8" Meter</u>	First	2,000 gallons	\$11.35	\$10.70	-5.72%	minimum bill
	Next	3,000 gallons	5.67	5.35	-5.72%	per 1,000 gallons
	Next	5,000 gallons	5.27	4.95	-6.16%	per 1,000 gallons
	Next	15,000 gallons	4.92	4.60	-6.60%	per 1,000 gallons
	Next	25,000 gallons	4.62	4.30	-7.02%	per 1,000 gallons
	Next	50,000 gallons	4.22	3.90	-7.69%	per 1,000 gallons
	Next	100,000 gallons	3.82	3.50	-8.49%	per 1,000 gallons
	Next	100,000 gallons	3.42	3.10	-9.49%	per 1,000 gallons
	All over	300,000 gallons	3.02	2.70	-10.75%	per 1,000 gallons
<u>3/4" Meter</u>	First	5,000 gallons	\$28.35	\$26.73	-5.72%	minimum bill
	Next	5,000 gallons	5.27	4.95	-6.16%	per 1,000 gallons
	Next	15,000 gallons	4.92	4.60	-6.60%	per 1,000 gallons
	Next	25,000 gallons	4.62	4.30	-7.02%	per 1,000 gallons
	Next	50,000 gallons	4.22	3.90	-7.69%	per 1,000 gallons
	Next	100,000 gallons	3.82	3.50	-8.49%	per 1,000 gallons
	Next	100,000 gallons	3.42	3.10	-9.49%	per 1,000 gallons
	All over	300,000 gallons	3.02	2.70	-10.75%	per 1,000 gallons
<u>1" Meter</u>	First	10,000 gallons	\$54.70	\$51.45	-5.93%	minimum bill
	Next	15,000 gallons	4.92	4.60	-6.60%	per 1,000 gallons
	Next	25,000 gallons	4.62	4.30	-7.02%	per 1,000 gallons
	Next	50,000 gallons	4.22	3.90	-7.69%	per 1,000 gallons
	Next	100,000 gallons	3.82	3.50	-8.49%	per 1,000 gallons
	Next	100,000 gallons	3.42	3.10	-9.49%	per 1,000 gallons
	All over	300,000 gallons	3.02	2.70	-10.75%	per 1,000 gallons
<u>1 1/2" Meter</u>	First	25,000 gallons	\$128.50	\$120.39	-6.31%	minimum bill
	Next	25,000 gallons	4.62	4.30	-7.02%	per 1,000 gallons
	Next	50,000 gallons	4.22	3.90	-7.69%	per 1,000 gallons
	Next	100,000 gallons	3.82	3.50	-8.49%	per 1,000 gallons
	Next	100,000 gallons	3.42	3.10	-9.49%	per 1,000 gallons
	All over	300,000 gallons	3.02	2.70	-10.75%	per 1,000 gallons
<u>2" Meter</u>	First	50,000 gallons	\$244.00	\$227.77	-6.65%	minimum bill
	Next	50,000 gallons	4.22	3.90	-7.69%	per 1,000 gallons
	Next	100,000 gallons	3.82	3.50	-8.49%	per 1,000 gallons
	Next	100,000 gallons	3.42	3.10	-9.49%	per 1,000 gallons
	All over	300,000 gallons	3.02	2.70	-10.75%	per 1,000 gallons
<u>2 1/2" Meter</u>	First	75,000 gallons	\$349.49	\$325.16	-6.96%	minimum bill
	Next	25,000 gallons	4.22	3.90	-7.69%	per 1,000 gallons
	Next	100,000 gallons	3.82	3.50	-8.49%	per 1,000 gallons
	Next	100,000 gallons	3.42	3.10	-9.49%	per 1,000 gallons
	All over	300,000 gallons	3.02	2.70	-10.75%	per 1,000 gallons
<u>3" Meter</u>	First	100,000 gallons	\$454.99	\$422.54	-7.13%	minimum bill
	Next	100,000 gallons	3.82	3.50	-8.49%	per 1,000 gallons
	Next	100,000 gallons	3.42	3.10	-9.49%	per 1,000 gallons
	All over	300,000 gallons	3.02	2.70	-10.75%	per 1,000 gallons
<u>4" Meter</u>	First	200,000 gallons	\$836.98	\$772.08	-7.75%	minimum bill
	Next	100,000 gallons	\$3.42	3.10	-9.49%	per 1,000 gallons
	All over	300,000 gallons	\$3.02	2.70	-10.75%	per 1,000 gallons
<u>6" Meter</u>	First	300,000 gallons	\$1,178.97	\$1,081.62	-8.26%	minimum bill
	All over	300,000 gallons	\$3.02	2.70	-10.75%	per 1,000 gallons

The rates contained in this notice are the rates proposed by the Union County 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 politic, or person may request leave to intervene, by motion within thirty (30) days after notice of the proposed rate change is given. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Public Service Commission, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the motion, including the status and interest of the party movant. Copies of the application may be obtained at no charge from the District office at 409 N Court St in Morganfield, KY 42437. Upon request from an intervenor, the District shall furnish to the intervenor a copy of the application and supporting documents.

Union County Water District

P.S.C. Ky. No. _____

Cancels P.S.C. Ky. No. _____

City
of
Morganfield, Kentucky

Rates, Rules, and Regulations for Furnishing

Water

At

Morganfield, Kentucky to the Union County Water District

Filed with PUBLIC SERVICE COMMISSION OF
KENTUCKY

ISSUED: December 26, 2008

EFFECTIVE: December 31, 2008

ISSUED BY: City of Morganfield

BY:

Jerry B. Freer
Jerry Freer
Mayor

Form for filing Rate Schedules

For _____
Community, Town or City

P.S.C. Ky. No. _____
Sheet No. _____

City of Morganfield
Name of Issuing Corporation

Cancels P.S.C. Ky. No. _____
Sheet No. _____

Classification of Service

Rate
Per Unit

The City of Morganfield has filed a proposed rate schedule which will decrease by 18.012% the rate which it currently charges to the Union County Water District for water service. The City of Morganfield currently charges \$ 1.645 per thousand gallons for water service. It proposes to charge \$ 1.3487 per thousand gallons for water service effective December 31, 2008.

DATE OF ISSUE: December 26, 2008

EFFECTIVE: December 31, 2008

ISSUED BY Jerry Freer
Name of Officer

Title Mayor

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

Union County Water District
 Schedule of water production costs and rates
 For the period beginning Dec 2008

Based on costs for fiscal year ended June 30, 2008

		Gross earnings		Fy 6/08	Fy 6/07	Fy 6/06	Fy 6/05	Fy 6/04	
Expenses-Breck Plant:									1,453
Salaries:									105,718
John Coffman	Super	\$ 38,971	100.00%	\$ 38,971	\$ 38,521	\$ 37,301	\$ 33,614	\$ 31,073	11,951
Tommy Menser	Labor	28,425	100.00%	28,425	27,584	25,935	24,810	25,051	7,310
William K. Buckman	Mechanic	39,814	60.00%	23,888	23,331	22,402	20,819	21,080	42,164
Donald Beaven	PT Operator	11,593	100.00%	11,593	12,517	11,077	10,485	13,574	841
Randy McMMain	Labor	1,911	100.00%	1,911	28,002	26,767	24,362	1,835	7,750
Henry Leonberger	Retired	-	100.00%	-	-	-	4,755	27,472	26,199
Thomas R. Clements	Labor	11,893	100.00%	11,893	10,752	11,274	9,040	9,477	9,025
Thomas Horton	Operator	21,067	100.00%	21,067	-	-	-	-	-
Jeremy S. Martin	Operator	29,328	100.00%	29,328	29,755	27,436	25,871	28,263	26,297
Damian Alvey	Operator	26,041	100.00%	26,041	25,194	24,315	20,157	15,779	789
Jerry Brantley	Operator	9,213	100.00%	9,213	8,764	9,090	6,320	-	-
Miles Clevidence	Operator	1,664	100.00%	1,664	624	-	-	-	-
Total Salaries		219,920		203,994	205,044	195,597	180,233	173,604	132,326
diff fromGL		609							
Other salaries				\$ -	\$ -	\$ -	\$ -	\$ 1,094	\$ -
Telephone				1,788	1,656	1,718	3,188	3,625	2,147
Office and postage				5,673	5,173	1,852	1,426	2,073	1,326
Rental/lease expense				637	534	515	425	493	381
Retirement/Payroll tax				46,214	44,994	40,842	31,019	34,605	25,531
Advertising				15	660	472	707	1,707	434
Equip repairs				21,199	20,278	22,720	25,243	10,469	9,752
Less. ins reimb on repairs in other income				-	-	-	(16,302)	-	-
Bldg repairs				-	-	-	-	-	239
Insurance				29,355	31,982	27,697	25,913	22,141	20,827
Legal and accounting				1,930	1,854	3,008	1,957	4,646	2,264
Travel				633	615	1,852	1,034	950	1,227
Gas and Oil				5,468	5,675	5,129	4,555	2,198	3,876
Health & Disability				71,669	81,153	95,989	132,489	127,851	166,493
Chemicals				113,801	96,051	80,738	68,749	54,257	65,083
Electricity				89,294	77,845	71,652	69,560	51,605	61,503
Engineering				16,265	16,906	12,870	7,691	8,423	12,060
Uniforms				1,885	1,836	2,189	2,002	2,058	2,859
Maint supplies				5,851	5,651	3,804	530	6,668	1,530
Other				3,823	4,134	7,201	3,785	5,217	-
Small capital items				61,273	11,364	657	5,301	18,178	8,339
Small capital items (Item # 704, 703, 705)				-	-	-	18,790	-	-
Cap recovery (incl interest)				Orig Cost					
Equipment (1999)	A	Thru 2015		34,817	2,418	2,418	2,418	2,418	2,418
Raw water line, Bldg imp (200	B	Thru 2017		513,897	49,527	49,527	49,527	49,527	49,527
Collector well,	C	Thru 2018		272,683	24,370	24,370	24,370	24,370	24,370
2002 Cap exp	D	Thru 2019		42,082	3,815	3,815	3,815	3,815	3,815
2004 Cap exp (equipment)	E	Thru 2021		32,531	2,785	2,785	2,785	2,785	-
2004 Cap exp (Raw water line)	F	Thru 2022		617,839	49,756	49,756	49,756	49,756	Net of 500 m contrib from UCFC
Debt service:									
Principal on bonds		Thru 2008		-	190,000	185,000	175,000	165,000	155,000
Interest on bonds		Not incl amort		-	692	8,987	17,045	24,660	32,684
Change in interest rate factor				(3,931)	(5,375)	(5,796)	(10,933)	(5,669)	(10,878)
Grand total									
				\$ 809,507	\$ 931,393	\$ 897,364	\$ 882,078	\$ 798,768	\$ 775,133
Water rate per 1000 gallon (Cost / Production)				1.3487	1.6450	1.7261	1.6606	1.5020	1.0379
Production 000's									
Total gallons produced				603,884	568,459	523,196	535,136	536,474	750,827
Less: Used for plant operation				(3,649)	(2,271)	(3,305)	(3,956)	(4,666)	(4,000)
Net Production				600,235	566,188	519,891	531,180	531,808	746,827
O/S Debt @ 6/30/2008									
1999 Capital items	A	13,764	5.98%			4.69%	-1.29%	(178)	
Raw water line	B	337,161	5.98%			4.69%	-1.29%	(4,349)	
Collector well	C	183,119	5.49%			4.69%	-0.80%	(1,465)	
2002 Cap exp	D	31,018	5.28%			4.69%	-0.59%	(183)	
2004 Cap exp	E	26,146	5.01%			4.69%	-0.32%	(84)	
2005 Cap exp	F	517,353	4.24%			4.69%	0.45%	2,328	
Total debt				1,108,561				(3,931)	