

CHRISTIAN COUNTY WATER DISTRICT

P.O. Box 7
Hopkinsville, KY 42241-0007
Phone: 270-886-3696
Fax: 270-886-0708

Case NO: 2010-00114

Water Commissioners

Ashbel Brunson
Chairman

Steve Hunt
Secretary

J. David Johnson
Treasurer

Barbara Morris

Ronald Adams

RECEIVED

MAR 15 2010

PUBLIC SERVICE
COMMISSION

March 10, 2010

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

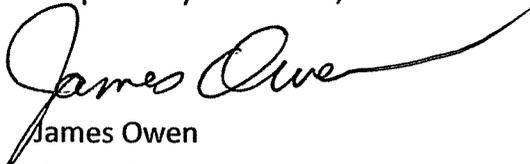
Case No. 2009-00373
Purchase Water Adjustment

On February 26, 2010, Christian County Water District received a copy of a PSC filing notice from the Hopkinsville Water Environment Authority, "Notice of Intention to Implement Rates".

On March 4, 2010, the Board of Commissioners of the Christian County Water District approved a Purchase Water Adjustment of the proposed, non-approved rates subject to refund.

Christian County Water District has calculated the effect of this "non approved" rate on CCWD's rate payers. The enclosed Purchase Water Adjustment is reflective of that rate.

Respectfully submitted,


James Owen
General Manager

Enclosures

MCGHEE ENGINEERING, INC.

202 Ewing Street, P. O. Box 267
Guthrie, Kentucky 42234

www.mcgheengineering.com

Phone: (270) 483-9985
Fax: (270) 483-9986

March 10, 2010

Jeff Derouen, Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

RE: Christian County Water District
Purchase Water Adjustment

Dear Mr. Derouen:

On behalf of the Christian County Water District, please find enclosed ten copies of a Purchase Water Adjustment. The adjustment is in response to their supplier's (Hopkinsville Water Environment Authority) decision to raise their wholesale rate. In addition to the PWA, a copy of HWEA's rate change notice is attached as well as a rate calculation spreadsheet.

If you have any questions or need additional information, please feel free to call our office or email chriswilcutt@mchsi.com.

Sincerely,

McGhee Engineering, Inc.



Chris Wilcutt P.E.
Project Engineer

Cc: Christian County Water District

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

Name of Utility	Christian County Water District	
Date	March 4, 2010	
Address	PO Box 7	
City, State, Zip	Hopkinsville, KY 42241	
Telephone Number	(270) 886-3696	

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
Hopkinsville Water Environment Authority	0-3000 CF:\$2.89/100CF Next 3000CF:\$2.53/100CF Over 6000CF:\$1.83/100CF	\$2.96/100 CF \$2.59/100 CF \$1.88/100 CF
Lake Barkley Water District	\$1.65/1,000 gallons	No Change

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	February 2009	through	January 2010
	(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
Hopkinsville Water Environment Authority	439,318,943
Lake Barkley Water District	12,621,793
Less: Pass-thru to Crofton (HWEA)	46,031,060
TOTAL PURCHASES	405,909,676
4. Total sales for the 12 month period	370,399,999
5. Increased water cost	\$277,492
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.86/1,000 gallons
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	March 5, 2010
	
Signature of Utility Officer	
Ashbel Brunson III, Chairman	
Title	

FOR Christian County, Kentucky
Community, Town or City

P.S.C. KY. NO. _____

SHEET NO. _____

Christian County Water District
(Name of Utility)

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

SHEET NO. _____

RATES AND CHARGES

Monthly Water Rates

5/8" Meter

First	0	Gallons @	\$ 16.00	Minimum (Flat Rate)
Over	0	Gallons @	\$ 6.51	per 1,000 Gallons

1" Meter

First	5,000	Gallons @	\$ 48.55	Minimum
Over	5,000	Gallons @	\$ 6.51	per 1,000 Gallons

1½" Meter

First	10,000	Gallons @	\$ 81.10	Minimum
Over	10,000	Gallons @	\$ 6.51	per 1,000 Gallons

2" Meter

First	50,000	Gallons @	\$ 341.50	Minimum
Over	50,000	Gallons @	\$ 6.51	per 1,000 Gallons

4" Meter

First	100,000	Gallons @	\$ 667.00	Minimum
Over	100,000	Gallons @	\$ 6.51	per 1,000 Gallons

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE 03/05/2010
Month / Date / Year

ISSUED BY Asbel Brunson III
(Signature of Officer)

TITLE Chairman

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

Hopkinsville Water Environment Authority

401 East 9th Street • P.O. Box 628 • Hopkinsville, Kentucky 42241-0828

Phone (270) 887-4246
Fax (270) 887-4244

Lan F. Hale
General Manager



July 9, 2009

Mr. James Owen, Manager
Christian County Water District
P.O. Box 7
Hopkinsville, KY. 42241-007

Subject: Proposed Wholesale Rate Increase

Dear Mr. Owen:

HWEA will be proposing a water rate increase to the Hopkinsville City Council in August 2009. The purpose of the proposed rate increase is to support the indebtedness for the expansion and upgrade of the Moss WTP. HWEA is expanding and upgrading the Moss WTP from 10 MGD capacity to 15 MGD. Bids were received on June 18, 2009 and construction should begin in late summer or early fall. During both 2007 and 2008, the Moss WTP exceeded 85% of its capacity on 100 or more days. The expansion of the Moss WTP is needed to ensure adequate processed water for our customers.

HWEA will be proposing to the Hopkinsville City Council the following wholesale water rates as established by Agreement 01-2005 between HWEA and the CCWD:

	<u>Rate/100 CF</u>	<u>Equivalent Rate/1000 Gal.</u>
First 3000 CF	\$2.96	\$3.96
Next 3000 CF	\$2.59	\$3.47
All Over 6000 CF	\$1.88	\$2.52

The new rates will go into effect for the CCWD 6 months after being approved by the Hopkinsville City Council consistent with Agreement 01-2005.

If you have any questions, please call us.

Sincerely,

Derrick W. Watson
Director of Technical Operations

Cost of Water Calculation for Purchased Water Adjustment

Month	Actual (From CCWD Records) Quantity (Gallons)				Cost of Purchased Water	
	Purchase-H	Purchase-LB	Sold - Retail	Sold - Crofton	Old Rate	New Rate
February 2009	32,175,486	884,080	25,317,922	4,930,870	\$ 52,694	\$ 72,003
March 2009	33,338,214	1,052,300	30,178,071	3,228,700	\$ 58,214	\$ 79,500
April 2009	32,434,755	1,117,552	29,662,507	3,451,520	\$ 56,261	\$ 76,769
May 2009	36,833,775	1,132,633	32,100,406	2,797,770	\$ 65,532	\$ 89,527
June 2009	40,314,856	1,288,102	33,944,251	4,440,590	\$ 69,153	\$ 94,416
July 2009	40,655,758	1,205,360	34,638,504	4,065,400	\$ 70,327	\$ 96,084
August 2009	39,833,400	1,117,399	32,837,944	3,767,919	\$ 69,221	\$ 94,616
September 2009	36,385,328	1,024,500	36,419,566	4,954,501	\$ 60,586	\$ 82,784
October 2009	36,182,198	1,045,295	27,417,548	3,280,780	\$ 63,312	\$ 86,524
November 2009	34,346,625	873,304	28,222,155	3,469,200	\$ 59,324	\$ 81,140
December 2009	35,778,465	893,400	26,526,955	3,523,960	\$ 61,877	\$ 84,643
January 2010	41,040,083	987,868	33,134,170	4,119,850	\$ 70,571	\$ 96,557
TOTALS	439,318,943	12,621,793	370,399,999	46,031,060	\$ 757,071	\$ 1,034,563
Monthly Average	36,609,912	1,051,816	30,866,667	3,835,922		

Old HWEA Wholesale Purchase Rates	
First 22,440 Gallons	\$ 2.89
Next 22,440 Gallons	\$ 2.53
All Over 44,880 Gallons	\$ 1.83

New HWEA Wholesale Purchase Rates	
First 22,440 Gallons	\$ 3.96
Next 22,440 Gallons	\$ 3.47
All Over 44,880 Gallons	\$ 2.52

Purchased Water Adjustment Factor Calculation	
Cost Difference (New-Old)	\$ 277,492
PWA Factor (\$/1000 gal)	\$ 0.86

Net Effective Rate (\$/Kgal)	
Current	Proposed
\$ 1.87	\$ 2.55

Net Effective Percent Increase
37%

Notes:

1. All purchased and sold quantities are from CCWD records.
2. Water shown as sold to Crofton is passed through the CCWD system for a transmission charge of \$0.35/1000 gal.