

Hardin County Water District No. 1

Serving Radcliff and Hardin County for Over 50 Years

1400 Rogersville Road
Radcliff, KY. 40160

RECEIVED

JUL 17 2013

PUBLIC SERVICE
COMMISSION

July 16, 2013

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

SUBJECT: Purchased Water Adjustment - Application

Dear Mr. Derouen;

Enclosed, please find our application for a purchased water rate adjustment ("PWA"). The adjustment is necessary to recover increased costs in the purchase of water from the U.S. Treasury, Garrison Resource Management at Fort Knox, Kentucky. This is our primary source of supplemental water. In 2012, 6% of our total water supply was purchased in order to meet metered water sales demand.

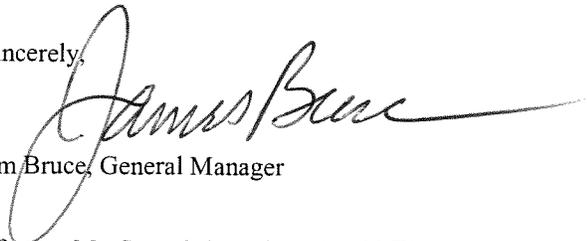
We filed a PWA in 2012 (2012-00151) which was approved by the Commission, after correcting and revising our initial application. This current PWA is in response to another purchased water rate increase of 70.5% from the U.S. Government, which we were notified of in May. Because of the size of this increase, our Board approved filing another PWA to recover our added future costs for purchased water.

The application base rate is \$1.83 per thousand gallons, (See Attached). The District is requesting a PWA adjustment for a revised purchased water rate of \$3.12 per thousand gallons (+ 70.5%). Attached are the April and May 2013 purchased water invoices, including electric costs, from the U.S. Treasury. Supporting documentation for the calculations is also attached as Exhibit C-1 through C-3. The resulting Purchased Water Adjustment Factor is \$0.07 / kgal, or about \$59,000 annually.

We will publish the enclosed public notice of the requested rate revisions in the local newspaper. In accordance with PSC rules and regulations, the notice will be published before the new bills are issued and will be published one time. A copy of the newspaper notice and an affidavit verifying publication will be forwarded to the Commission upon publication.

HCWD1 has previously filed income statements and balance sheets for the year ending December 31, 2012 which are on file with the Commission.

Sincerely,



Jim Bruce, General Manager

Cf, Mr. Scott Schmuck, HCWD1 Finance & Accounting Manager
Mr. David Wilson II, Attorney, HCWD1

Enclosures

RECEIVED

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

JUL 17 2013

PUBLIC SERVICE
COMMISSION

Name of Utility	Hardin County Water District No. 1	
Date		
Address	1400 Rogersville Road	
City, State, Zip	Radcliff, Ky	40160
Telephone Number	270-351-3222	

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
U.S. Treasury Garrison Resource Management	\$1.83	\$3.12

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-1 through A-2 and B-1 through B-2.

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	May 2012	through	April 2013
	(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
U.S. Treasury	46,073,000
TOTAL PURCHASES	46,073,000
4. Total gallons sold for the 12 month period	895,989,200
5. Increased water cost	\$59,243
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.07
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	August 1, 2013
	
Signature of Utility Officer	
General Manager	
Title	

Electric Costs on Purchased Water - Prichard Pump Station
2012 - 2013 Comparison

2011		2012	
May	\$ 252.98	May	\$ 294.19
June	\$ 1,054.08	June	\$ 647.22
July	\$ 379.47	July	\$ 1,294.44
August	\$ 948.67	August	\$ 529.55
Sept	\$ 758.94	Sept	\$ 549.16
Oct	\$ 421.63	Oct	\$ 411.87
Nov	\$ 411.87	Nov	\$ 451.09
Dec	\$ 254.97	Dec	\$ 343.64
2012		2013	
Jan	\$ 568.77	Jan	\$ 451.09
Feb	\$ 372.64	Feb	\$ 333.42
March	\$ 431.48	March	\$ 411.87
April	\$ 254.97	April	\$ 605.83
	<u>\$ 6,110.47</u>		<u>\$ 6,323.37</u>

Water Bought from Fort Knox 05/12 - 04/13

<u>2012</u>		<u>2011</u>
May	6,188,000	3,200,000
Jun	12,004,000	5,201,000
Jul	19,219,000	9,552,000
Aug	3,288,000	11,058,000
Sep	2,164,000	3,109,000
Oct	2,242,000	1,301,000
Nov	178,000	814,000
Dec	2,000	1,562,000

<u>2013</u>		<u>2012</u>
Jan	31,000	1,462,000
Feb	28,000	1,672,000
March	58,000	778,000
April	671,000	1,813,000
	<u>46,073,000</u>	<u>41,522,000</u>

Water Sold 05/12 - 04/13

2012	
May	76,105,400
Jun	81,954,900
Jul	90,355,400
Aug	88,726,900
Sep	79,383,000
Oct	74,394,200
Nov	70,723,100
Dec	63,195,400
2013	
Jan	63,989,400
Feb	71,769,600
March	66,718,900
April	68,673,000
	<u>895,989,200</u>

HARDIN CO WATER DIST #1
 1400 ROGERSVILLE RD
 FORT KNOX KY 40121

1 71

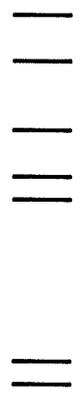
Group # 256		
Master Account # 000080000		Page 1 of 1
Billing Date 05/03/2013	Total Consumption 58	
Cycle 05	Rate 2.97777	Service Type WATER
MR		USE
Amount Due		172.71



Cycle 05

Page 1 of 1

Account #	Meter #	Rate	Bill Type	Previous Reading	Present Reading	Demand	Mtr Mult	Consumption Used	Charges	Total Amount
Service Address				Service From	Service To					
000080000	1000019	55	R	750618	750671	0.000	1.0000	53	157.82	
WILSON AVENUE BOOSTER-W				03/01/2013	03/29/2013					
									CURRENT MONTH CHARGES	157.82
									AMOUNT DUE	157.82
000080200	1545329	55	R	6255	6260	0.000	1.0000	5	14.89	
CARPENTER TEST RD-W				03/01/2013	03/29/2013					
									CURRENT MONTH CHARGES	14.89
									AMOUNT DUE	14.89
0000701700	10004411	55	R	177631	177631	0.000	1.0000	0	0.00	
PRICHARD PUMP STA-W				03/01/2013	03/29/2013					
									CURRENT MONTH CHARGES	
									AMOUNT DUE	0.00



HARDIN CO WATER DIST #1
 1400 ROGERSVILLE RD
 FORT KNOX KY 40121

1 71

Group # 256	
Master Account # 0000080000	Page 1 of 1
Billing Date 04/04/2013	Total Consumption 28
Cycle 05	Rate 1.67200 Service Type WATER
MR	USE
Amount Due	46.82



Cycle 05

Page 1 of 1

Account #	Meter #	Rate	Bill Type	Previous Reading	Present Reading	Demand	Mtr Mult	Consumption Used	Charges	Total Amount
Service Address				Service From	Service To					
0000080000	1000019	55	R	750595	750618	0.000	1.0000	23	38.46	
WILSON AVENUE BOOSTER-W				01/30/2013	03/01/2013					
CURRENT MONTH CHARGES									38.46	
AMOUNT DUE										38.46
0000080200	1545329	55	R	6250	6255	0.000	1.0000	5	8.36	
CARPENTER TEST RD-W				01/30/2013	03/01/2013					
CURRENT MONTH CHARGES									8.36	
AMOUNT DUE										8.36
0000701700	10004411	55	R	177631	177631	0.000	1.0000	0	0.00	
PRICHARD PUMP STA-W				01/30/2013	03/01/2013					
CURRENT MONTH CHARGES										
AMOUNT DUE										0.00



HARDIN CO WATER DIST #1
 1400 ROGERSVILLE RD
 FORT KNOX KY 40121

1 72

Group # 659	
Master Account # 000607700	Page 1 of 1
Billing Date 05/03/2013	Total Consumption 7776
Cycle 05	Rate 0.07791 Service Type ELECTRIC
MR	41.21 USE 564.62
Amount Due 605.83	



Cycle 05

Page 1 of 1

Account #	Meter #	Rate	Bill Type	Previous Reading	Present Reading	Demand	Mtr Mult	Consumption Used	Charges	Total Amount
Service Address				Service From	Service To					
000607700	7299476	61	R	10925	10952	401.184	288.0000	7776	605.83	
PRICHARD PL-E				03/19/2013	04/16/2013					
CURRENT MONTH CHARGES									605.83	
AMOUNT DUE										605.83



HARDIN CO WATER DIST #1
 1400 ROGERSVILLE RD
 FORT KNOX KY 40121

1 72

Group # 659		
Master Account # 0000607700		Page 1 of 1
Billing Date 04/04/2013	Total Consumption 6048	
Cycle 05	Rate 0.06810	Service Type ELECTRIC
MR	32.05	USE 379.82
Amount Due		411.87



Cycle 05

Page 1 of 1

Account #	Meter #	Rate	Bill Type	Previous Reading	Present Reading	Demand	Mtr Mult	Consumption Used	Charges	Total Amount
Service Address				Service From	Service To					
0000607700	7299476	61	R	10904	10925	401.184	288.0000	6048	411.87	
PRICHARD PL-E				02/21/2013	03/19/2013					
CURRENT MONTH CHARGES									411.87	
AMOUNT DUE										411.87



(Canceling Sixth Revision, Sheet No. 4; Sixteenth Revision, Sheet No. 5; Second Revision, Sheet No. 6; First Revision, Sheet No. 8; First Revision, Sheet No. 5A and First Printing, Sheet No. 9; Third Revision, Sheets 10 and 11)

Hardin County Water District No. 1

CLASSIFICATION OF SERVICE:
RATES, SURCHARGES AND MONTHLY CHARGES

the cost for the District to maintain, test and replace any meters, valves, vaults, hydrants, back-flow prevention devices or other appurtenances which are required by District or state or national plumbing codes to provide a private fire service line or hydrant. The following rules and conditions apply;

- i. The line or hydrant must be installed in a location that only provides fire protection to a private structure or building and is not available to the general public or to the local fire department for general public use
- ii. The District may require certain valves, meters or other devices to be installed in new construction and said facilities shall be paid in entirety by the building owner. Said facilities outside of the building shall become the property of the District for maintenance, repairs, testing and replacement.
- iii. The monthly charge shall apply to each private line or hydrant and shall be charged in full for each month an account is active at that service address, regardless of how many days of the month that the service is activated. The monthly charge shall be;

Hydrant or Line Size	Monthly Charge
1.5 Inch	\$0.64
2.0 Inch	\$1.37
3.0 Inch	\$4.00
4.0 Inch	\$8.51
6.0 Inch	\$24.70
8.0 Inch	\$52.67

- c. **Volume Charge:** Except for Wholesale customers, a volume charge shall apply for all water used during a billing period. The rate shall be based on each 1,000 gallons used and shall be rounded for amounts smaller than 1,000 gallons depending on the capabilities of the District's billing software. The volume rate shall be a declining block rate and shall be split into two rates depending on the volume that applies. The rates are as follows;

(l)

- i. **First 15,000 gallons = \$4.50 per 1,000 gallons**
- ii. **All above 15,000 gallons = \$3.24 per 1,000 gallons**

DATE OF ISSUE June 27, 2013DATE EFFECTIVE August 1, 2013

ISSUED BY: Jim Bruce, Mr. Jim Bruce, General Manager
Hardin County Water District No. 1, Radcliff, Kentucky

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

(Canceling Sixth Revision, Sheet No. 4; Sixteenth Revision, Sheet No. 5; Second Revision, Sheet No. 6; First Revision, Sheet No. 8; First Revision, Sheet No. 5A and First Printing, Sheet No. 9; Third Revision, Sheets 10 and 11)

Hardin County Water District No. 1

CLASSIFICATION OF SERVICE:
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(l)

- d. **Wholesale Rate:** The wholesale rate shall apply to all water used and shall be based on each 1,000 gallons used and shall be rounded for amounts smaller than 1,000 gallons depending on the capabilities of the District's billing software. The rate are as follows;
- i. **All water used = \$2.00 per 1,000 gallons**
- ii. All other terms and conditions for a Wholesale Customer are included in the Wholesale Users Agreement which a sample of is included in this tariff. Each wholesale customer must sign the agreement which shall also include the rate and volume of water that will be provided and what are the responsibilities of both the customer and the District.
- e. **Late Penalties:** All customers who do not pay the amount due by the due date will be assessed an additional ten (10) percent as a late charge to the previous outstanding balance. Said late charge shall apply to all charges, fees or prior penalties included in the outstanding balance on the due date. In order to avoid a late penalties being added, the payment must be received at the District office on the due date shown on the customer bill. If the due date falls on a holiday when District offices are closed, the payment must be received on the first business day prior to the due date. The District cannot be responsible for slow mail delivery, lost mail or other causes beyond the District's control which may make the payment arrive after the due date.
3. **Estimated Bills:** If a meter reading cannot be obtained because the meter is not working, or access to the meter has been denied due to weather or customers causes, the District may determine the customers water use and prepare a bill using an estimated use. The method of estimating will normally use a three (3) month average, however the District reserves the right to use other methods or calculations. If a bill is estimated, it will be noted on the bill.

DATE OF ISSUE June 27, 2013

DATE EFFECTIVE August 1, 2013

ISSUED BY: Jim Bruce, Mr. Jim Bruce, General Manager
Hardin County Water District No. 1, Radcliff, Kentucky

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