

City of  
**DANVILLE**  
**KENTUCKY**

P.O. Box 670  
Danville, KY 40423  
(859) 238-1200

August 20, 2014

**Garrard County Water Association**

Paul Reynolds  
315 Lexington Street  
Lancaster, Kentucky 40444  
(859)792-4501

**RE: 2014 Wholesale Water Rate Adjustment**

Dear Mr. Reynolds,

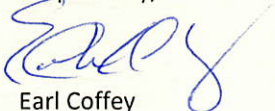
We are providing this letter as the official notice of the 2014 Wholesale Water Rate Adjustment as discussed previously. This letter is to confirm for you the basis for the rate adjustment and also the details of the change.

Recall the City previously indicated its intention to complete a utility rate study this year. The City contracted with a third party, Salt River Engineering, to complete the rate study with a cost of service component and to evaluate and recommend adjustments for all rates charged by the City's municipal utility. The study began this past winter and the wholesale portion of the evaluation has been completed. The rate study was completed consistent with the principles established in the American Water Works Association Manual M-1. The chosen study approach was the *Hybrid Method* (Cash Needs/Utility Basis) which was used to determine the revenue requirements for both owner and non-owner utility customers.

The City Commission accepted the recommendations from the consultant by implementing revised wholesale rates. The implementation of the revised rates will begin with the effective date of September 1<sup>st</sup> 2014. Consistent with the recommendations, the Garrard County Water Association shall pay a Flat Rate of \$2.41 per 1000 gallons consumed or \$1.80 per 100 cubic feet consumed. The minimum bill will not adjust as a result of this change.

As stated previously it is our goal to help you understand the details related to the rate identified. As such we will be more than willing to provide information to provide a better understanding. Please let us know how we may address your questions. We look forward to working with you as we transition into this revised rate.

Respectfully,



Earl Coffey  
City Engineer

"This institution is an equal opportunity provider and employer."

**"The City of Firsts"**

First Courthouse in Kentucky - 1785  
First U.S. Post Office in the West - 1792  
First Successful Ovariectomy in the World - 1809

First Capitol of Kentucky District - 1785  
First Political Club in the West - 1786  
First Constitutional Convention in the West - 1792

First College in the West - 1785  
First Law School in the West - 1799  
First State Supported School for Deaf - 1823

## **NOTICE**

Notice is hereby given that the City of Danville proposes to increase its rate for wholesale water service to Garrard County Water Association effective November 19, 2014. On October 17, 2014, documentation will be filed with the Kentucky Public Service Commission to increase rates as follows:

### Water Rate

<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change</u>	<u>% Change</u>	
First 20,000 CF \$1.68 per 100 CF		Ave. Month	Ave. Rate	
Next 80,000 CF \$1.35 per 100 CF				
Next 100,000 CF \$1.05 per 100 CF				
Next 300,000 CF \$0.96 per 100 CF				
Over 500,000 CF \$0.91 per 100 CF				
Plus 20% surcharge				
	All usage	\$2.41/1,000 gal.	\$5,666.03	46.3%

The proposed effective date is November 19, 2014. Water flowing through the meter(s) before the effective date will be charged at the current rate while water flowing through the meter(s) on and after the effective date will be charged at the proposed new rate.

The rates contained in this notice are the rates proposed by the City of Danville but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may examine this filing at the offices the Danville City Hall, City Engineer's Office, located at 445 W. Main Street in Danville, Kentucky; telephone (859) 238-1200.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday through Friday from 8:00am to 4:30pm or through the PSC website at <http://psc.ky.gov>.

Comments regarding the filing may be submitted to the PSC through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

A timely written request for intervention that establishes grounds for the request may also be submitted to the PSC. If the PSC does not receive a written request for intervention within thirty (30) days of the date notice was initially provided, the PSC may take final action on the filing.

FOR Garrard County Water Association

PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

City of Danville

(NAME OF UTILITY)

CANCELLING PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Water Usage Rate

\$2.41 per 1,000 gallons

Kentucky River Authority Withdrawal Fee

\$0.022 per 1,000 gallons

DATE OF ISSUE \_\_\_\_\_

MONTH / DATE / YEAR

DATE EFFECTIVE November 19, 2014

MONTH / DATE / YEAR

ISSUED BY

Bernie Dunstod

SIGNATURE OF OFFICER

TITLE

Mayor

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

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



City of  
**DANVILLE**  
**KENTUCKY**

P.O. Box 670  
Danville, KY 40423  
(859) 238-1200

August 20, 2014

**Lake Village Water Association, Inc.**  
Mike D. Sanford, Executive Director  
801 Pleasant Hill Drive  
Burgin, Kentucky 40310  
(859)748-5642

**RE: 2014 Wholesale Water Rate Adjustment**

Dear Mr. Sanford,

We are providing this letter as the official notice of the 2014 Wholesale Water Rate Adjustment as discussed previously. This letter is to confirm for you the basis for the rate adjustment and also the details of the change.

Recall the City previously indicated its intention to complete a utility rate study this year. The City contracted with a third party, Salt River Engineering, to complete the rate study with a cost of service component and to evaluate and recommend adjustments for all rates charged by the City's municipal utility. The study began this past winter and the wholesale portion of the evaluation has been completed. The rate study was completed consistent with the principles established in the American Water Works Association Manual M-1. The chosen study approach was the *Hybrid Method* (Cash Needs/Utility Basis) which was used to determine the revenue requirements for both owner and non-owner utility customers.

The City Commission accepted the recommendations from the consultant by implementing revised wholesale rates. The implementation of the revised rates will begin with the effective date of September 1<sup>st</sup> 2014. Consistent with the recommendations, the Lake Village Water Association shall pay a Flat Rate of \$2.41 per 1000 gallons consumed or \$1.80 per 100 cubic feet consumed. The minimum bill will not adjust as a result of this change.

As stated previously it is our goal to help you understand the details related to the rate identified. As such we will be more than willing to provide information to provide a better understanding. Please let us know how we may address your questions. We look forward to working with you as we transition into this revised rate.

Respectfully,



Earl Coffey  
City Engineer

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First State Supported School for Deaf - 1823

## **NOTICE**

Notice is hereby given that the City of Danville proposes to increase its rate for wholesale water service to Lake Village Water Association effective November 19, 2014. On October 17, 2014, documentation will be filed with the Kentucky Public Service Commission to increase rates as follows:

### Water Rate

<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change</u>	<u>% Change</u>
First 20,000 CF \$1.68 per 100 CF		Ave. Month	Ave. Rate
Next 80,000 CF \$1.35 per 100 CF			
Next 100,000 CF \$1.05 per 100 CF			
Next 300,000 CF \$0.96 per 100 CF			
Over 500,000 CF \$0.91 per 100 CF			
Plus 20% surcharge			
	All usage	\$2.41/1,000 gal.	\$9,525.33
			47.5%

The proposed effective date is November 19, 2014. Water flowing through the meter(s) before the effective date will be charged at the current rate while water flowing through the meter(s) on and after the effective date will be charged at the proposed new rate.

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Comments regarding the filing may be submitted to the PSC through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

A timely written request for intervention that establishes grounds for the request may also be submitted to the PSC. If the PSC does not receive a written request for intervention within thirty (30) days of the date notice was initially provided, the PSC may take final action on the filing.

FOR Lake Village Water Association

PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

City of Danville

(NAME OF UTILITY)

CANCELLING PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Water Usage Rate

\$2.41 per 1,000 gallons

Kentucky River Authority Withdrawal Fee

\$0.022 per 1,000 gallons

DATE OF ISSUE \_\_\_\_\_

MONTH / DATE / YEAR

DATE EFFECTIVE November 19, 2014

MONTH / DATE / YEAR

ISSUED BY \_\_\_\_\_

*Bernie Hunstad*

SIGNATURE OF OFFICER

TITLE \_\_\_\_\_

*Mayor*

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

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

City of  
**DANVILLE**  
**KENTUCKY**

P.O. Box 670  
Danville, KY 40425  
(859) 258-1200

August 20, 2014

Parksville Water District  
c/o Jerry Feathers  
10711 Lebanon Road  
Parksville KY 40464  
859-332-2255

**RE: 2014 Wholesale Water Rate Adjustment**

Dear Mr. Feathers,

We are providing this letter as the official notice of the 2014 Wholesale Water Rate Adjustment as discussed previously. This letter is to confirm for you the basis for the rate adjustment and also the details of the change.

Recall the City previously indicated its intention to complete a utility rate study this year. The City contracted with a third party, Salt River Engineering, to complete the rate study with a cost of service component and to evaluate and recommend adjustments for all rates charged by the City's municipal utility. The study began this past winter and the wholesale portion of the evaluation has been completed. The rate study was completed consistent with the principles established in the American Water Works Association Manual M-1. The chosen study approach was the *Hybrid Method* (Cash Needs/Utility Basis) which was used to determine the revenue requirements for both owner and non-owner utility customers.

The City Commission accepted the recommendations from the consultant by implementing revised wholesale rates. The implementation of the revised rates will begin with the effective date of September 1<sup>st</sup> 2014. Consistent with the recommendations, the Parksville Water District shall pay a Flat Rate of \$2.68 per 1000 gallons consumed or \$2.00 per 100 cubic feet consumed. The minimum bill will not adjust as a result of this change.

As stated previously it is our goal to help you understand the details related to the rate identified. As such we will be more than willing to provide information to provide a better understanding. Please let us know how we may address your questions. We look forward to working with you as we transition into this revised rate.

Respectfully,

  
Earl Coffey  
City Engineer

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## **NOTICE**

Notice is hereby given that the City of Danville proposes to increase its rate for wholesale water service to Parksville Water District effective November 19, 2014. On October 17, 2014, documentation will be filed with the Kentucky Public Service Commission to increase rates as follows:

### Water Rate

<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change</u>	<u>% Change</u>
First 20,000 CF \$1.68 per 100 CF		Ave. Month	Ave. Rate
Next 80,000 CF \$1.35 per 100 CF			
Next 100,000 CF \$1.05 per 100 CF			
Next 300,000 CF \$0.96 per 100 CF			
Over 500,000 CF \$0.91 per 100 CF			
Plus 20% surcharge			
	All usage	\$2.68/1,000 gal.	\$10,308.53
			68%

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FOR Parksville Water District

PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

CANCELLING PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

City of Danville  
(NAME OF UTILITY)

Water Usage Rate

\$2.68 per 1,000 gallons

Kentucky River Authority Withdrawal Fee

\$0.022 per 1,000 gallons

DATE OF ISSUE \_\_\_\_\_  
MONTH / DATE / YEAR

DATE EFFECTIVE November 19, 2014  
MONTH / DATE / YEAR

ISSUED BY Bernie Hunstad  
SIGNATURE OF OFFICER

TITLE Mayor

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

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