

P.O. Box 55 351 Almo Rd
Almo, KY 42020
Phone (270) 753-9101
Fax (270) 759-0199
E-mail dawd351@netzero.net

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DEXTER-ALMO HEIGHTS WATER DISTRICT

June 10, 2015

RECEIVED

JUN 15 2015

**PUBLIC SERVICE
COMMISSION**

Mr. Jeff R. Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

RE: Formal Application for a purchase Water Adjustment

Dear Mr. Derouen:

Enclosed is an original and 10 copies of an application for a purchase water adjustment for the Dexter-Almo Heights Water District. The adjustment is necessary to recover an increase in the cost of water attributable to the City of Murray new wholesale price. A copy of the suppliers' notice of the changed rate showing the effective date is attached.

Sincerely,



Joe Dan Taylor

Chairman

Enclosure

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

Name of Utility	Dexter-Almo Heights Water District	
Date	June 10, 2015	
Address	351 Almo Rd PO Box 55	
City, State, Zip	Almo, Kentucky 42020	
Telephone Number	270-753-9101	
Email Address	Dawd351@netzero.net	

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.

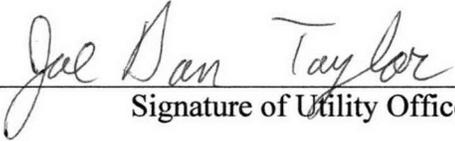
Supplier(s)	Base Rate	Changed Rate
Murray Water & Sewer	\$1.66	\$1.83

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

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	April 2014	through	March 2015
	(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
Murray Water & Sewer	41,841,800
TOTAL PURCHASES	
4. Total gallons sold for the 12 month period	38,568,100
5. Increased water cost	\$7,113.11
<p>The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Exhibit 2</p>	
6. Purchased water adjustment factor	0.19
<p>The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.</p> <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.</p>	
7. A schedule listing the current and proposed rates is attached as Exhibit 3	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit 4	
9. Proposed effective date July 26, 2015	
	
Signature of Utility Officer	
	
Title	

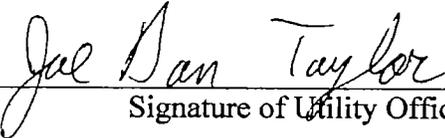
Supplier(s)	Gallons Purchased during 12 month period
Murray Water & Sewer	41,841,800
TOTAL PURCHASES	
4. Total gallons sold for the 12 month period	38,568,100
5. Increased water cost	\$7,113.11
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Exhibit 2	
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The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
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.	
7. A schedule listing the current and proposed rates is attached as Exhibit 3	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit 4	
9. Proposed effective date July 26, 2015	
 Signature of Utility Officer	
CHAIRMAN Title	

EXHIBIT 1

Jack Rose
Mayor



City of Murray



May 28, 2015

Mr. Jay Wyatt
Dexter-Almo Water District
351 Almo Road
Almo, KY 42020

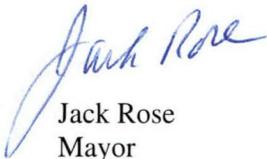
Dear Mr. Wyatt:

The Murray Water and Sewer System has filed a proposed schedule of rates with the Public Service Commission which will increase the water and sewer rates by 10% every six months beginning July 1, 2015 through December 31, 2018, to Murray Water District #2, South 641 Water District, and Almo-Dexter Water District. The notice is enclosed.

The rates contained in this notice were approved by Council through Ordinance 2015-1667, passed on a second reading May 14, 2015, and is enclosed.

If you have any questions, please contact Cathy Morris at cathy.morris@murrayky.gov or 270-762-0350 ext. 1103.

Sincerely,



Jack Rose
Mayor

Enclosure

TELEPHONE (270) 762-0300

104 North 5th Street, Suite B
Murray, Kentucky 42071
FAX (270) 762-0306
Website: www.murrayky.gov

TDD (270) 753-1621



NOTICE

Murray Water & Sewer System hereby provides notice that it filed with the Public Service Commission on May 27, 2015, to increase its wholesale water rate to Dexter-Almo Heights Water District, Murray Water District #2, and South 641 Water District. New rates are proposed to be implemented in seven incremental steps, the first to become effective for water service rendered on and after July 1, 2015 with a new rate to become effective each subsequent six months as set forth below:

<u>Monthly Rate Per 1,000 Gallons</u>	<u>New Rate</u>	<u>Previous Rate</u>	<u>\$ Difference</u>	<u>% Difference</u>
Effective 07/01/2015	\$1.83	\$1.66	\$0.17	10%
Effective 01/01/2016	\$2.01	\$1.83	\$0.18	10%
Effective 07/01/2016	\$2.21	\$2.01	\$0.20	10%
Effective 01/01/2017	\$2.43	\$2.21	\$0.22	10%
Effective 07/01/2017	\$2.67	\$2.43	\$0.24	10%
Effective 01/01/2018	\$2.94	\$2.67	\$0.27	10%
Effective 07/01/2018	\$3.23	\$2.94	\$0.29	10%

Water flowing through the meter(s) before the effective date will be charged at the previous rate while water flowing through the meter(s) on and after the new effective date will be charged at the new rate(s).

This filing may be examined at the utility's office inside Murray City Hall located at 104 North 5th Street in Murray, Kentucky; Monday – Friday from 7:30 am and 4:30 pm.

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

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602; or through its website at <http://psc.ky.gov>.

While the proposed rates are the rates proposed by Murray Water & Sewer System, the Public Service Commission may order rates that differ from these proposed rates.

Intervention may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602. The request for intervention must establish the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filing.

EXHIBIT 2

Dexter-Almo Heights Water District

	NEW RATE (per 1,000)		OLD RATE (per 1,000)		
<u>SUPPLIER</u>					
Murray Water	\$1.8300		\$1.6600		
TWELVE MONTH TEST PERIOD:		April 2014 - March 2015			
<u>SUPPLIER</u>		<u>GALLONS PURCHASED DURING TEST PERIOD</u>			
Murray Water		41,841,800			
TOTAL		41,841,800			
<u>SUPPLIER</u>	<u>COST AT NEW RATE</u>		<u>COST AT OLD RATE</u>		
Murray Water	\$76,570.49		\$69,457.39		
					<u>INCREASED WATER COST</u>
TOTAL	\$76,570.49	-	\$69,457.39	=	\$7,113.11
TOTAL GALLONS SOLD FOR THE TEST PERIOD :			38,568,100		
Increased Water Cost / (total gallons sold / 1,000) = Purchased Water Adjustment Factor					
	\$7,113.11	/	38,568,100	/1000	=
					0.184429775
				ROUNDED	0.19

EXHIBIT 3

FOR _____
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

DEXTER-ALMO HEIGHTS WATER DISTRICT
(Name of Utility)

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

_____ SHEET NO. _____

RATES AND CHARGES

A: MONTHLY RATES:

First 2,000 gallons
Next 3,000 gallons
Next 5,000 gallons
Next 10,000 gallons
Over 20,000 gallons

\$11.61 Minimum bill
4.18 per 1,000 gallons
3.48 per 1,000 gallons
3.18 per 1,000 gallons
2.18 per 1,000 gallons

DATE OF ISSUE September 23 2005
Month / Date / Year

DATE EFFECTIVE October 6 2005
Month / Date / Year

ISSUED BY _____
Gene Outland
(Signature of Officer)

TITLE Commissioner

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

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
10/1/2005
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)**

By 
Executive Director

Exhibit 3

Proposed rate increase

First 2,000 gallons	11.99 Minimum Bill
Next 3,000 gallons	4.37 per 1,000 gallons
Next 5,000 gallons	3.67 per 1,000 gallons
Next 10,000 gallons	3.37 per 1,000 gallons
Over 20,000 gallons	2.37 per 1,000 gallons

EXHIBIT 4

DEXTER-ALMO WATER DISTRICT

June 4, 2015 7:00PM

The Dexter-Almo Water Dist. met 06-04-2015 with following present, Charles Boren, Joe Dan Taylor, Commissioners. Jasper Wyatt and Kathy Wyatt employees of the district.

The meeting was called to order and the board approved the June Treasurer's Report and the minutes from the May meeting

The board also approved to pay the following bills:

1. Regions Bank	324.60
2. Howard D Happy	12.09
3. Jay cell allowance	50.00
4. West KY RECC	76.34
5. Shell	261.14
6. Calloway Co, Tax	467.09
7. IRS (payroll)	993.90
8. Microbac	46.00
9. Murray Water System	375.00
10. Kentucky 811	36.80
11. The Murray Bank	7432.78
12. Shane Andrus	4825.00
13. G&C	1183.82
14. AT&T	161.60
15. Murray Fire Extinguisher	25.00
16. Fitts Block	17.81
17. Printing Services	166.55

The loan application for approval to the PSC has delayed the loan for the radio read meters Kathy will met with Warren Hopkins the 22, 23 of this month to complete documentation still needed.

The district has officially been notified by the City of the new rate increase for water we purchase from them. A motion was made to submit a Purchase Water Adjustment to the PSC to offset the new rate, the motion was seconded and motion carried. Kathy will submit the application with the help of Jason Green at PSC.

The board voted to raise our coverage on property and parts from \$5,000 to \$10,000.

The meeting adjourned 9:32pm
Pat Paschall
Secretary