



8020 Ogden Landing Road  
West Paducah KY 42086

Telephone: 270-442-3337  
Fax: 270-441-7104

RECEIVED

September 20, 2016

SEP 23 2016

Talina R. Mathews, Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40602

Public Service  
Commission

RE: West McCracken County Water District  
Purchase Water Adjustment

Case No. 2016-00339

Dear Ms. Mathews:

On behalf of the West McCracken County Water District, please find enclosed the original and ten copies of a Purchase Water Adjustment. The adjustment is in response to our supplier's (Paducah Water) decision to raise the wholesale rate from \$1.70/1,000 gallons to \$1.90/1,000 gallons October 1, 2016. The District will resubmit for year 2017 for additional PWA. In addition to the PWA, a copy of our customer rate change notice and revised tariff are enclosed.

If you have any questions or need additional information, please feel free to call our office or email [westmccrackenwater@comcast.net](mailto:westmccrackenwater@comcast.net).

Sincerely,

A handwritten signature in blue ink that reads 'Sheila Mansfield'.

Sheila Mansfield  
Superintendent

- Exhibit 1.....Purchased Water Adjustment
- Exhibit 2.....Supplier’s Notice
- Exhibit 3.....Increased Water Cost Supporting Document
- Exhibit 4.....Schedule of Current and Proposed Rates
- Exhibit 5.....Board of Commissioners Authorization
- Exhibit 6.....Customer Notice of Rate Change
- Exhibit 7.....Revised Tariff

# EXHIBIT 1

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

**RECEIVED**

SEP 23 2016

Name of Utility	West McCracken County Water District		Public Service Commission
Date	September 21, 2015		
Address	8020 Ogden Landing Road		
City, State, Zip	West Paducah, Kentucky	42086	
Telephone Number	270-442-3337		
Email Address	westmccrackenwater@comcast.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
Paducah Water	\$1.70 per 1,000 gallons	\$1.90 per 1,000 gallons

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	September, 2015	through	August, 2016
	(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
Paducah Water	138,780,800
TOTAL PURCHASES	138,780,800
4. Total gallons sold for the 12 month period	103,682,006
5. Increased water cost	\$27,756.16
<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 3</p>	
6. Purchased water adjustment factor	\$.00026770
<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	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit	
9. Proposed effective date	October 1, 2016
	
Signature of Utility Officer	
Chairman	
Title	

## EXHIBIT 2



**PADUCAH WATER**  
 1800 North 8<sup>th</sup> Street  
 Paducah, Kentucky 42001  
 Bill Robertson, PE  
[brobertson@pwwky.com](mailto:brobertson@pwwky.com) 270.444.5550  
 Fax 270-443-9727

**LETTER OF TRANSMITTAL**

Account Number: \_\_\_\_\_ Transmittal Date: July 25, 2016

<b>To:</b>
<b>Ms. Sheila Mansfield</b> <b>West McCracken Water District</b> <b>8020 Odgen Landing Road</b> <b>West Paducah, Kentucky 42086</b>

- We are sending you:  Attached  Under separate cover the following items:
- Reviewed Drawings  Prints  Specifications  Copy of Letter  
 Permit Release

QUANTITY	DESCRIPTION
1	<i>PSC Required Notice of Increase of Water Rate</i>

**These are transmitted as checked below:**

- For Approval  Resubmit  As Requested  
 Approved as Noted  Return for Corrections  For Review and Comment  
 Approved as Submitted  For Your Use  Other

**Remarks:**

Sheila,

We submitted and were given approval by the PSC for rate increases in 2015, 2016 and 2017 last year. The PSC was not real clear if we need to provide notice for the 2016 and 2017 increases so just to be safe I am providing you notice of the wholesale rate increase on October 1, 2016. Just like last year, the increase will be seen on the bill for October usage.

Sincerely,  
  
**Bill Robertson, P.E.**  
**Paducah Water General Manager**



The Clear Clean Choice

## NOTICE

Paducah Water Works hereby provides notice that it will file with the Public Service Commission no later than July 25, 2016, to increase its wholesale water rate to West McCracken Water District

The proposed increase is the second of three annual wholesale rate increases included in the 2015 Contract for Water Service between Paducah Water and the West McCracken Water District. The 2016 increase is scheduled to become effective on October 1, 2016.

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 effective date will be charged at the new rate.

This filing may be examined at the Paducah Water Works office located at 1800 North 8<sup>th</sup> Street in Paducah, Kentucky; telephone: 270-444-2746.

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>.

The proposed rates are the rates proposed by Paducah Water Works, but 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, P.O. 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.



**NOTICE**

Paducah Water Works hereby provides notice that it will file with the Public Service Commission no later than August 14, 2015, to increase its wholesale water rate to West McCracken County Water District.

New rates are proposed to be implemented in three incremental steps, the first to become effective for water service rendered on and after October 1, 2015 with a new rate to become effective on each subsequent annual anniversary 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 10/01/2015	\$1.70	\$1.50	\$0.20	13.3%
Effective 10/01/2016	\$1.90	\$1.70	\$0.20	11.8%
Effective 10/01/2017	\$2.10	\$1.90	\$0.20	10.5%

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.

This filing may be examined at the Paducah Water Works office located at 1800 North 8<sup>th</sup> Street in Paducah, Kentucky; telephone: (270) 442-2746.

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>.

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## EXHIBIT 3

West McCracken County Water District

<u>Gallons Purchased</u>		<u>Gallons Sold</u>	
Sep-15	11,083,500	Sep-15	10,040,890
Oct-15	12,016,800	Oct-15	9,680,180
Nov-15	10,966,600	Nov-15	7,635,780
Dec-15	10,933,200	Dec-15	8,917,030
Jan-16	12,251,900	Jan-16	8,129,390
Feb-16	8,011,000	Feb-16	8,662,430
Mar-16	10,456,900	Mar-16	8,450,570
Apr-16	9,040,300	Apr-16	8,402,745
May-16	10,998,100	May-16	7,325,016
Jun-16	13,818,400	Jun-16	9,519,788
Jul-16	13,736,700	Jul-16	8,998,385
Aug-16	15,467,400	Aug-16	7,919,802
total	138,780,800	total	103,682,006

Old Rate	$138,780,800 \div 1,000 \times 1.70 = \$235,927.36$
New Rate	$138,780,800 \div 1,000 \times 1.90 = \$263,683.52$
Increased Water Cost	$\$263,683.52 - \$235,927.36 = \$27,756.16$
PWA Factor	$\$27,756.16 \div 103,682,006 = \$.00026770$

## EXHIBIT 4

## West McCracken County Water District

### RATES

APPLICABLE WITHIN THE SERVICE AREA OF THE WEST MCCRACKEN COUNTY WATER DISTRICT

<u>Minimum Rate with Zero Usage</u>	<u>Existing</u>	<u>Proposed</u>
5/8" Meter	\$6.65	
1" Meter	\$16.64	
2" Meter	\$66.56	
3" Meter	\$99.84	
4" Meter	\$166.40	
<b>All Water Usage</b>		
0 to 100,000 gallons per month, per 1,000 gallons	\$5.56	\$5.83
Over 100,000 gallons per month, per 1,000 gallons	\$3.86	\$4.13
Bulk Water Sales, per 1,000	\$5.99	\$6.26

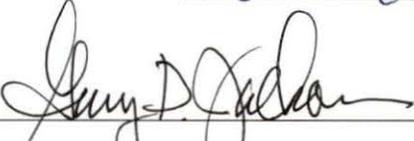
# EXHIBIT 5

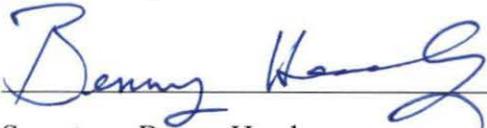
West McCracken County Water District held its monthly board meeting on Monday, September 19, 2016.

MOTION moved by B. Keith Anderson: To pass the purchase water increase to the customer for the sovereignty of the district.

VOTE: 3 in favor 0 not in favor

RESOLVED: Motion carried.

  
\_\_\_\_\_  
Chairman, Gary Jackson

  
\_\_\_\_\_  
Secretary, Benny Heady

  
\_\_\_\_\_  
Treasurer, B Keith Anderson

## EXHIBIT 6

**NOTICE**

West McCracken County Water District hereby provides notice that because of an increase in the cost of water purchased from Paducah Water, the West McCracken County Water District will increase its rates for services effective October 1, 2016. An application has been filed with the Kentucky Public Service Commission to increase rates as follows:

<u>Minimum Rate with Zero Usage</u>	<u>Existing</u>	<u>Proposed</u>
5/8" Meter	\$6.65	
1" Meter	\$16.64	
2" Meter	\$66.56	
3" Meter	\$99.84	
4" Meter	\$166.40	
All Water Usage		
0 to 100,000 gallons per month, per 1,000 gallons	\$5.56	\$5.83
Over 100,000 gallons per month, per 1,000 gallons	\$3.86	\$4.13
Bulk Water Sales, per 1,000	\$5.99	\$6.26

As noted above, based on the increased cost of water from Paducah Water, rates will increase \$0.27 per 1,000 gallons. The monthly bill for a customer using an average of 5,000 gallons of water each month will increase from \$34.45 to \$35.80. This is an increase of \$1.35 or 3.92%.

The charges/rates contained in this notice are the charges/rates proposed by the West McCracken County Water District. However, the Public Service Commission may order charges/rates to be charged that differ from these proposed charges/rates. Such action may result in charges/rates for consumers other than the charges/rates detailed in this notice.

Any person may examine this application at the office of West McCracken County Water District office located at 8020 Ogden Landing Road West Paducah, Kentucky. In addition, any person may also examine the application at the Public Service Commission's office located at 211 Sower Boulevard Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m., or through the Public Service Commission's website at <http://psc.ky.gov>. The Public Service Commission can also be contacted at 502-564-3940.

This notice is published pursuant to 807 KAR 5:068 – Purchased Water Adjustment for Water Districts and Water Associations.

## EXHIBIT 7

For: ENTIRE AREA SERVED

PSC KY Number: \_\_\_\_\_

Sheet No. 1

Cancelling PSC KY Number: \_\_\_\_\_

REVISED Sheet No. 1

WEST McCracken County Water District

*(Name of Utility)*

RATES

APPLICABLE WITHIN THE SERVICE AREA OF THE WEST McCracken County Water District

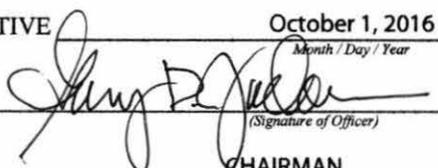
Minimum Rate and Zero Usage	Existing
5/8" Meter	\$6.65
1" Meter	\$16.64
2" Meter	\$66.56
3" Meter	\$99.84
4" Meter	\$166.40

All Water Usage

0 to 100,000 gallons per month, per 1,000 gallons	\$5.83
Over 100,000 gallons per month, per 1,000 gallons	\$4.13
Bulk Water Sales, per 1,000	\$6.26

DATE OF ISSUE September 20, 2016  
*Month / Day / Year*

DATE EFFECTIVE October 1, 2016  
*Month / Day / Year*

ISSUED BY   
*(Signature of Officer)*

TITLE CHAIRMAN

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