

## SOUTH ANDERSON WATER DISTRICT

P. O. BOX 17, 142 SOUTH MAIN STREET  
LAWRENCEBURG, KY 40342  
502-839-6919

RECEIVED

SEP 22 2017

PUBLIC SERVICE  
COMMISSION

September 25, 2017

Commonwealth of Kentucky  
Public Service Commission  
Tariff Review Branch  
P. O. Box 615  
Frankfort, Kentucky 40601

RE: Purchase Water Adjustment Request Case No. 2017-00386

Dear Sirs:

Transmitted herewith are the original and 10 copies of a request to adjust the District's rates to cover rate increases imposed by the Frankfort Plant Board and City of Lawrenceburg. Also attached is a revised RATES AND CHARGES tariff sheet issued by the chair.

If there are any questions please contact either the District or our engineer, Ken Taylor with Kenvirons, Inc. at 502 695 4357.

Sincerely,



Eddie Stevens  
Chairman

Attachments

cc: North Mercer Water District

RECEIVED

SEP 22 2017

PUBLIC SERVICE  
COMMISSION

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

Name of Utility	South Anderson Water District	
Date	December 8, 2016	
Address	P. O. Box 17 142 Main Street	
City, State, Zip	Lawrenceburg, KY 40342	
Telephone Number	502-839-6919	
Email Address	districts@bellsouth.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
Frankfort Plt. Board	2.65 per 1,000 gals. Including KRA Fee	2.75 per 1,000 gals. Including KRA Fee
City of Lawrenceburg	2.86 per 1,000 gals. Including KRA Fee	3.08 per 1,000 gals. Including KRA Fee

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 – PSC Approved Tariffs for Lawrenceburg and Frankfort Plant Board

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	August 2016	through	September 2017
	(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
Frankfort Plant Board	106,205,800
City of Lawrenceburg	78,835,600
TOTAL PURCHASES	183,041,400
4. Total gallons sold for the 12 month period	178,729,748
5. Increased water cost	$(0.10 \times 106,205.8) +$ $(0.22 \times 76,835.6) =$ \$27,524.41
<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 B</p>	
6. Purchased water adjustment factor	\$0.154/1,000 gals.
<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 C	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit D	
9. Proposed effective date	November 1, 2017
 Signature of Utility Officer	
Chair	
Title	

**EXHIBIT A**

**PSC APPROVED RATE TARIFFS  
CITY OF LAWRENCEBURG  
FRANKFORT PLANT BOARD**

**Mayor**  
Robert "Sandy" Goodlett



**City Clerk/Administrator**  
Robbie Hume

Office  
502-839-5372

TDD  
800-648-6057

TTY  
800-648-6056

Fax  
502-839-5106

July 24, 2017

Public Service Commission  
211 Sower Blvd  
PO Box 615  
Frankfort, KY 40601

RE: Wholesale Rate Increase to South Anderson Water District

Kentucky Public Service Commission:

The City of Lawrenceburg is proposing to increase the wholesale rate to South Anderson Water District from \$2.86 per 1,000 gallons to \$3.08 per 1,000 gallons effective September 1, 2017. Please find attached the notice to South Anderson Water District and a revised tariff. If you have any questions or need additional information please don't hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Monty Rhody'.

Monty Rhody, P.E.  
Public Works Director

Attachments

Cc: South Anderson Water District

## NOTICE

The City of Lawrenceburg (“Lawrenceburg”) is providing notice that it plans to file with the Public Service Commission, on or before July 25, 2017, to increase the wholesale rate it charges South Anderson Water District effective for water service on and after September 1, 2017. The proposed rates are as follows:

	<u>Current Rates</u>	<u>New Rates</u>	<u>\$ Change</u>	<u>% Change</u>
-First 8 Million Gallons	\$21,360.00 Minimum Bill	\$23,120 Minimum Bill	\$1,760.00 per month	8.2 % Increase
-Over 8 Million Gallons	\$2.67 per 1,000 gallons	\$2.89 per 1,000 gallons	\$0.22 per 1,000 gallons	8.2 % Increase
-KY River Authority Fee	\$0.18 per 1,000 gallons	\$0.19 per 1,000 gallons	\$0.01 per 1,000 gallons	5.6 % Increase

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

In accordance with Public Service Commission procedures, the effective date of the new rates cannot be prior to the expiration of a 30-day notice given to both the Public Service Commission and South Anderson Water District.

This filing may be examined at Lawrenceburg City Hall located at 100 North Main Street in Lawrenceburg, Kentucky.

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 PSC 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, KY 40602; or through its website at <http://psc.ky.gov>.

The new rates are the rates proposed by Lawrenceburg but the Public Service Commission may order rates that differ from the 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, KY 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.

AREA Anderson County, KY

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

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

City of Lawrenceburg  
(NAME OF UTILITY)

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

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

**MONTHLY WHOLESALE WATER RATE:**

South Anderson Water District

First 8 Million Gallons @ \$2.89 per 1,000 gallons	\$23,120.00 Minimum Bill
All usage over 8 Million Gallons	\$2.89 Per 1,000 Gallons

**Kentucky River Authority Withdrawal Fee:**

Tier I Fee	\$0.022 Per 1,000 Gallons
Tier II Fee	\$0.130 Per 1,000 Gallons
Sub-Total	\$0.152 Per 1,000 Gallons
Adjustment to recover the full cost of the KRA Fee	\$0.038 Per 1,000 Gallons
Total KRA Fee	\$0.19 Per 1,000 Gallons

Notes: The \$0.19 per 1,000 gallon Kentucky River Authority Fee is added to the \$2.89 per 1,000 gallon water usage rate for a combined wholesale rate of \$3.08 per 1,000 gallons to South Anderson Water District.

A Water Purchase Contract between the City of Lawrenceburg and the South Anderson Water District, entered into as of the 14<sup>th</sup> day of June 2004, amended on the 19<sup>th</sup> day of January 2006, and further amended on the 13<sup>th</sup> day of July 2008 is on file at the Kentucky Public Service Commission.

DATE OF ISSUE July 24, 2017  
MONTH / DATE / YEAR

DATE EFFECTIVE ISSUE September 1, 2017  
MONTH / DATE / YEAR

ISSUED BY *R.D. Soudell*  
SIGNATURE OF OFFICER

TITLE Mayor

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

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<b>John Lyons</b> ACTING EXECUTIVE DIRECTOR
<i>John S. Lyons</i>
EFFECTIVE <b>9/1/2017</b>
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

The Electric and Water Plant Board  
of the City of Frankfort, Kentucky  
(NAME OF UTILITY)

FOR Entire Service Area  
P.S.C. KY. NO. 1  
1<sup>st</sup> Revised SHEET NO. 1  
CANCELLING P.S.C. KY. NO. 1  
Original SHEET NO. 1

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RATES & CHARGES

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APPLICABILITY: All wholesale water users regulated by the Public Service Commission purchasing water from the FEWPB for resale.

AVAILABILITY OF SERVICE: To all water districts.

RATE: Year 1 (November 12, 2014 – October 31, 2015) - \$2.25 per 1,000 gallons  
Year 2 (November 1, 2015 – October 31, 2016) - \$2.35 per 1,000 gallons  
Year 3 (November 1, 2016 – October 31, 2017) - \$2.45 per 1,000 gallons  
On and After November 1, 2017 - \$2.55 per 1,000 gallons

CONDITIONS OF SERVICE: Pursuant to contract.

NOTE: As of November 12, 2014, this tariff sheet cancels and replaces all other tariff sheets on file containing general rates applicable to wholesale water districts and implements the general rates established herein. FPB's tariff sheet containing charges for the Kentucky River Authority withdrawal fee on file with the Commission shall remain in full force and effect.

DATE OF ISSUE: October 10, 2014  
MONTH / DATE / YEAR  
DATE EFFECTIVE: November 12, 2014  
MONTH / DATE / YEAR  
ISSUED BY: *Hubbie Bannister*  
SIGNATURE OF OFFICER  
TITLE: General Manager  
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE  
NO. 2014-00254 DATED: November 12, 2014, December 3, 2014

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<b>JEFF R. DEROUEN EXECUTIVE DIRECTOR</b>
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE <b>11/12/2014</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

The Electric and Water Plant Board  
of the City of Frankfort, Kentucky  
(NAME OF UTILITY)

FOR FEWPB Entire Service Area

PSC KY NO. 1

2<sup>nd</sup> Revised SHEET NO. 2

CANCELLING PSC KY NO. 1

1<sup>st</sup> Revised SHEET NO. 2

RULES AND REGULATIONS

APPLICABILITY: All wholesale water users regulated by the Public Service Commission purchasing water from the FEWPB for resale.

KENTUCKY RIVER AUTHORITY WITHDRAWAL FEE:

Tier I Fee	2.2 cents per thousand gallons
Tier II Fee	13.0 cents per thousand gallons
Subtotal	15.2 cents per thousand gallons
Adjustment to recover the full cost of the KRA Fee	4.8 cents per thousand gallons
Total for separate line item	20.0 cents per thousand gallons

NOTE: This adjustment recovers the Kentucky River Authority withdrawal fee adjusted for water loss. All other charges remain in full force and effect.

DATE OF ISSUE: June 28, 2013  
MONTH DATE YEAR

DATE EFFECTIVE: July 28, 2013  
MONTH DATE YEAR

ISSUED BY: *Heather Bannister*  
SIGNATURE OF OFFICER

TITLE: General Manager

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

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<b>JEFF R. DEROUEN EXECUTIVE DIRECTOR</b>
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE <b>7/28/2013</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**EXHIBIT B**

**TEST YEAR WATER PURCHASES AND SALES**

EXHIBIT B				
TEST YEAR WATER PURCHASES AND SALES				
	Purchased Water L'burg (gals)	Purchased Water F'fort (gals)	Total Water Purchased (gals)	Total Sales (gals)
2017				
Jan	5,379,700	6,182,300	11,562,000	13,960,128
Feb	6,598,000	8,606,700	15,204,700	16,107,364
Mar	5,561,000	9,183,400	14,744,400	11,670,541
Apr	4,991,300	8,130,500	13,121,800	13,460,029
May	5,027,000	9,233,200	14,260,200	12,010,884
Jul	7,855,000	9,607,100	17,462,100	16,539,576
Jun	6,602,000	8,796,300	15,398,300	18,591,998
2016				
Aug	10,287,000	10,516,100	20,803,100	17,204,003
Sep	6,806,000	9,441,700	16,247,700	16,662,600
Oct	6,909,000	9,234,500	16,143,500	13,812,120
Nov	5,590,000	7,961,000	13,551,000	14,086,393
Dec	5,229,600	9,313,000	14,542,600	14,624,112
Totals	76,835,600	106,205,800	183,041,400	178,729,748
Avg	6,402,967	8,850,483	15,253,450	
Min			11,562,000	
Max			20,803,100	
Increased water costs:	(( $\$0.10 \times 106,205,800$ ) + ( $\$0.22 \times 76,835,600$ gallons)) / 1,000 gallons			\$27,524.41
Purchased Water Adjustment Factor:	$\$27,524.41 / 178,729.748 =$			\$0.1540

## EXHIBIT C

### PUBLIC NOTICE SOUTH ANDERSON WATER DISTRICT PURCHASED WATER ADJUSTMENT

Due to increases in the wholesale rate for water purchased from the City of Lawrenceburg and Frankfort Plant Board, the South Anderson Water District has applied to the Kentucky Public Service Commission for a rate increase to cover its increased costs. The rates contained herein are the rates proposed by South Anderson Water District for all customers, however the Public Service Commission may order rates to be charged that are higher or lower than the rates proposed in this notice. Any corporation, association, body public or person may request leave to intervene by motion within thirty (30) days after notice of the proposed rates change is given. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Kentucky Public Service Commission, 211 Sower Boulevard, P. O. Box 615, Frankfort, KY 40602, and shall set forth the grounds for the motion including the status and interest of the party. The application may be reviewed at the South Anderson Water District at 142 South Main St., Lawrenceburg, KY 40342 and the Kentucky Public Service Commission office listed above Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Commission's website at <http://psc.ky.gov>.

#### MONTHLY WATER RATES

	OLD RATE	NEW RATE	INCREASE PER 1,000 GALLONS
First 2,000 gallons	\$19.61 (minimum bill)	\$19.91 (minimum bill)	1.53%
Next 3,000 gallons	9.63 per 1,000 gallons	9.78 per 1,000 gallons	1.56%
Next 5,000 gallons	7.38 per 1,000 gallons	7.53 per 1,000 gallons	2.03%
All over 10,000 gallons	5.88 per 1,000 gallons	6.03 per 1,000 gallons	2.55%
Average Monthly Bill for 4,200 gallons	\$40.80	\$41.43	1.54%
Bulk Loading Station	3.91 per 1,000 gallons	4.06 per 1,000 gallons	3.84%
Wholesale Rate	First 3,000,000 Gallons 3.3974 per 1,000 gallons	3.5474 per 1,000 gallons	4.42%
	All over 3,000,000 Gallons 2.8941 per 1,000 gallons	3.0441 per 1,000 gallons	5.18%

The proposed rates are scheduled to go into effect with the November 2017 meter readings which will be reflected on the first billing following January 1, 2018. The proposed rate increase of \$0.63/1,000 gallons or 1.54% on the average monthly bill will compensate for the higher wholesale purchase water rates allowed the Frankfort Plant Board and City of Lawrenceburg by the Public Service Commission.

**EXHIBIT D**

**RESOLUTION**

RESOLUTION OF THE SOUTH ANDERSON WATER DISTRICT, AUTHORIZING THE IMPLEMENTATION OF NEW RATES, SUBMITTING NEW RATES TO THE PUBLIC SERVICE COMMISSION AND AUTHORIZING A REPRESENTATIVE TO SIGN ALL RELATED DOCUMENTS

WHEREAS, the Frankfort Plant Board and City of Lawrenceburg are raising the wholesale cost of water; and

WHEREAS, the Public Service Commission has approved the rate increases; and

WHEREAS, the District desires to adjust its rates to its customers to reflect the wholesale rate increase.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the South Anderson Water District as follows:

SECTION 1. That the District hereby accepts the rates awarded by the Public Service Commission and approves the raising of rates by a compensating amount to its customers.

SECTION 2. That the Chair is hereby authorized, directed and empowered by the District's Board of Commissioners to execute the necessary documents, and to otherwise act on behalf of the District to implement the changed rates.

SECTION 3. This Resolution shall take effect immediately upon passage.

ADOPTED on September 21, 2017.

South Anderson Water District



Title: Chair

ATTESTED:



Title: Secretary

FOR Anderson County, Kentucky  
Community, Town or City

P.S.C. KY. NO. 2

14<sup>th</sup> revised SHEET NO. 4

South Anderson Water District  
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2

13<sup>th</sup> revised SHEET NO. 4

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RATES AND CHARGES

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Monthly Water Rates

First 2,000 gallons	\$19.91 Minimum Bill
Next 3,000 gallons	\$9.78 per 1,000 gallons
Next 5,000 gallons	\$7.53 per 1,000 gallons
All Over 10,000 gallons	\$6.03 per 1,000 gallons

Bulk Loading Station \$4.06 per 1,000 gallons

Wholesale Rate: North Mercer Water District

First 3,000,000 gallons	\$10,642.20 Minimum Bill (or \$3.5474 per 1,000 gallons)
All over 3,000,000 gallons	\$3.0441 per 1,000 gallons

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DATE OF ISSUE September 25, 2017  
Month / Date / Year

DATE EFFECTIVE November 1, 2017  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE Chairman

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