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CHARLES S. MUSSON
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RECEIVED

December 4, 2017

DEC 07 2017

PUBLIC SERVICE
COMMISSION

Ms. Gwen R. Pinson
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Cumberland County Water District **PSC Case No. 2017-00455**

Dear Director Pinson:

Pursuant to 807 KAR 5:069, Section 3(3)(b), enclosed please find the Affidavit of Publication and Tearsheet relating to the Notice of Proposed Rate Change of the Cumberland County Water District.

If you need any additional information or documentation, please let us know.

Sincerely,

Rubin & Hays


By
W. Randall Jones

WRJ:jlm
Enclosures

Cumberland County News

P.O. Box 307 • Burkesville, KY 42717-0307 • (270) 864-3891

AFFIDAVIT OF PUBLICATION

State of Kentucky -- County of Cumberland -- City of Burkesville

I, Cyndi Pritchett, hereby certify that I am editor
of the *Cumberland County News*, that said newspaper has the largest bona fide circulation which
is published in the City of Burkesville, Kentucky, County of Cumberland, and that said newspa-
per is the newspaper published in said county.

I certify that the attached clipping was published in said newspaper on the 15th day of
November, 2017.

Description of Ad: Notice of Proposed Rate Change

Page Number: 6

Cyndi Pritchett

Representative

Sworn and subscribed before me this 16 day of November, 2017.

My commission expires: 11/7/2020

Kimberly Johnson
Notary Public

(Seal of Notary)

NOTICE OF PROPOSED RATE CHANGE

In accordance with the requirements of the Kentucky Public Service Commission ("PSC") as set out in 807 KAR 5:069, Section 3, notice is hereby given to the customers of the Cumberland County Water District ("District") of a change in water rates for users of the District's water system. The changes in water rates are required by the U.S. Department of Agriculture, acting through Rural Development ("RD") in connection with a loan by RD to the District in the principal amount of \$700,000 to be evidenced by the issuance by the District of its waterworks revenue bonds in such amount, which RD has agreed to purchase provided the District meets certain conditions of RD, including revising the water rates as set forth below:

Current Monthly Water Rates

<u>5/8 x 3/4 inch Meters</u>		<u>Monthly Rate</u>	
First 2,000 gallons		\$27.00	Minimum
Next 3,000 gallons		\$7.50	Per 1,000 gallons
Next 5,000 gallons		\$6.50	Per 1,000 gallons
All Over 10,000 gallons		\$5.50	Per 1,000 gallons
<u>1 inch Meters</u>		<u>Monthly Rate</u>	
First 5,000 gallons		\$49.50	Minimum
Next 5,000 gallons		\$6.50	Per 1,000 gallons
All Over 10,000 gallons		\$5.50	Per 1,000 gallons
<u>1-1/2 inch Meters</u>		<u>Monthly Rate</u>	
First 12,500 gallons		\$95.25	Minimum
All Over 12,500 gallons		\$5.50	Per 1,000 gallons
<u>2 inch Meters</u>		<u>Monthly Rate</u>	
First 25,000 gallons		\$164.50	Minimum
All Over 25,000 gallons		\$5.50	Per 1,000 gallons
<u>Dale Hollow State Park</u>		<u>Monthly Rate</u>	
First 300,000 gallons		\$1,677.00	Minimum
All Over 300,000 gallons		\$5.50	Per 1,000 gallons

Proposed Monthly Water Rates

<u>5/8 x 3/4 inch Meters</u>	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 2,000 gallons	\$28.16	\$1.16	4.30%
Next 3,000 gallons	\$7.65	\$0.15	2.00%
Next 5,000 gallons	\$6.65	\$0.15	2.31%
All Over 10,000 gallons	\$5.65	\$0.15	2.73%
<u>1-inch Meters</u>	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 5,000 gallons	\$51.11	\$1.61	3.25%
Next 5,000 gallons	\$6.65	\$0.15	2.31%
All Over 10,000 gallons	\$5.65	\$0.15	2.73%
<u>1-1/2 inch Meters</u>	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 12,500 gallons	\$98.49	\$3.24	3.40%
All Over 12,500 gallons	\$5.65	\$0.15	2.73%
<u>2-inch Meters</u>	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 25,000 gallons	\$169.11	\$4.61	2.80%
All Over 25,000 gallons	\$5.65	\$0.15	2.73%
<u>Dale Hollow State Park</u>	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 300,000 gallons	\$1,722.86	\$45.86	2.73%
All Over 300,000 gallons	\$5.65	\$0.15	2.73%

The proposed monthly water rates shall be effective for water sold after the date of the final approving Order of the PSC, which Order is expected to be issued no later than 30 days of the filing of the Application. The amount of average usage for all customers in the calendar year 2016 was 4,400 gallons per month thus generating an average monthly billing based on current rates of \$45.00. The proposed monthly rates will increase the average monthly billing to \$46.52 for an impact of \$1.52 or 3.38%. The Application for approval of the rate change has been filed with the PSC and may be examined during normal business hours at the following locations: (i) Cumberland County Water District Office, 133 Lower River Street, Burkesville, KY 42717; (ii) PSC, 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., E.T.; and (iii) via the PSC website at <http://psc.ky.gov>. Comments regarding the Application may be submitted to the PSC via its website or by mail to PSC, P.O. Box 615, Frankfort, Kentucky 40602.

The proposed rates are required under the terms of an agreement between the District and RD and KRS 278.023 does not grant the PSC any discretionary authority to modify or reject any portion of the agreement between the District and RD, or to defer the issuance of all necessary orders to implement the terms of the agreement. The RD loan proceeds will be used to finance the costs of the installation of (i) approximately 14,800 linear feet of 3, 4 and 6 inch water main plus associated appurtenances along KY Highway 485 (Sulphur Creek Road); (ii) a pressure reducing vault; and (iii) a master meter vault. Signed: Alvin Pharis, Chairman, Cumberland County Water District.