

North Manchester Water Association, Inc.

*7361 North Highway 421
Manchester, KY 40962
Phone: (606) 598-5403*

February 6, 2018

RECEIVED

FEB 09 2018

**PUBLIC SERVICE
COMMISSION**

*Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602-0615*

*RE: Case No. 2017-00466
Filing Deficiency*

To Whom It May Concern:

*I am very sorry for the confusion on responding to the letter dated December 28, 2017,
North Manchester Water did not receive this communication it was sent to Mike Maggard*

*Attached is the requested supporting documentation for purchased water rate increase from the
City of Manchester.*

Thank you,



Steve Davis

President, North Manchester Water Association, Inc.

RECEIVED
FEB 09 2018
PUBLIC SERVICE
COMMISSION

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

Name of Utility	North Manchester Water Association		
Date	February 6, 2018		
Address	7361 North Highway 421		
City, State, Zip	Manchester, KY	40962	
Telephone Number	(606) 598-5403		
Email Address	Water.company@windsteam.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.

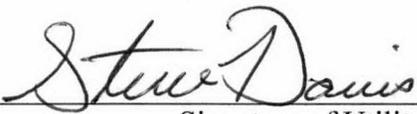
Supplier(s)	Base Rate	Changed Rate
City of Manchester	\$1.50	\$2.00

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 2016	through	October 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
City of Manchester	187,661,400
TOTAL PURCHASES	187,661,400
4. Total gallons sold for the 12 month period	104,912,519
5. Increased water cost	\$0.50/1000 gallons
<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</p>	
6. Purchased water adjustment factor	\$0.900
<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	January 1, 2018
	
Signature of Utility Officer	
President	
Title	

North Manchester 2017-00466

<u>SUPPLIER</u>	<u>NEW RATE</u> (per 1,000)	<u>OLD RATE</u> (per 1,000)
Manchester	\$2.0000	\$1.5000

TWELVE MONTH TEST PERIOD: Oct 2016 thru Sept 2017

<u>SUPPLIER</u>	<u>GALLONS PURCHASED</u> <u>DURING TEST PERIOD</u>
Manchester	187,661,400
TOTAL	187,661,400

<u>SUPPLIER</u>	<u>COST AT</u> <u>NEW RATE</u>	<u>COST AT</u> <u>OLD RATE</u>		<u>INCREASED</u> <u>WATER COST</u>
Manchester	\$375,322.80	\$281,492.10		
TOTAL	\$375,322.80	\$281,492.10	=	\$93,830.70

TOTAL GALLONS SOLD FOR THE TEST PERIOD : **104,912,519**

Increased Water Cost /(total gallons sold / 1,000) = Purchased Water Adjustment Factor

$$\begin{array}{rclclcl}
 \$93,830.70 & / & & 104,912,519 & /1000 & = & 0.8943708614 \\
 & & & & & \text{ROUNDED} & \mathbf{0.90}
 \end{array}$$

EXHIBIT 2
PROPOSED RATE SCHEDULE
NORTH MANCHESTER WATER ASSOCIATION
WX21051202
City of Manchester Rate Increase
PROPOSED RATE SCHEDULE – 1/1/2018

GALLONAGE BLOCK FOR EACH METER SIZE		MONTHLY RATE FOR EACH GALLONAGE BLOCK (PROPOSED)	RATE (EXISTNG)
<u>5/8" X 3/4" Meter</u>			
First	2,000 gallons	\$ 21.60 (Minium Bill)	\$ 19.80 (Minium Bill)
All Over	2,000 gallons	\$ 6.22 per 1,000 gallons	\$ 5.32 per 1,000 gallons
<u>1" Meter</u>			
First	5,000 gallons	\$ 40.21 (Minimum Bill)	\$ 35.71 (Minimum Bill)
All Over	5,000 gallons	\$ 6.22 per 1,000 gallons	\$ 5.32 per 1,000 gallons
<u>2" Meter</u>			
First	15,000 gallons	\$102.29 (Minimum Bill)	\$ 88.79(Minimum Bill)
All Over	15,000 gallons	\$ 6.22 per 1,000 gallons	\$ 5.32 per 1,000 gallons
<u>3" Meter</u>			
First	30,000 gallons	\$195.42 (Minimum Bill)	\$168.42 (Minimum Bill)
All Over	30,000 gallons	\$ 6.22 per 1,000 gallons	\$ 5.32 per 1,000 gallons

AREA _____

PSC KY NO. _____

_____ SHEET NO. _____

NORTH MANCHESTER WATER ASSOCIATION
(NAME OF UTILITY)

CANCELLING PSC KY NO. _____

_____ SHEET NO. _____

Rules and Regulations

Addressing the issue of dealing with adjustment procedures of a customer's bill when he or she has had a water leak in their lines or plumbing fixtures. When a customer asks for an adjustment, we first take the customer's average usage for the past 12 months of which they are charged at our standard rates for whatever size meter that they have, then the amount of water above their average due to a leak, we only charge an adjusted rate of \$2.90 per thousand plus utility tax that we are required to charge.

To justify the adjustment amount (\$2.90 per thousand), we buy water for our supplier at a rate of \$2.00 per thousand plus we must consider our pumping and electric costs, plus the man hours involved and the paper work required to adjust the customer's bill.

This procedure of bill adjustments of water leaks was adopted by the North Manchester Water Association's Board of Directors on January 10, 1995 at the regular monthly meeting to be included in our Rules and Regulations

DATE OF ISSUE _____

DATE EFFECTIVE _____
MONTH / DATE / YEAR

ISSUED BY _____
SIGNATURE OF OFFICER

TITLE _____

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