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MAR 02 2018

PUBLIC SERVICE  
COMMISSION

February 27, 2018

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

Re: Wood Creek Water District **PSC Case No. 2018-00066**

Dear Director Pinson:

In response to the Staff Deficiency Letter dated February 22, 2018, enclosed please find the revised Notice of Proposed Rate Change which now lists the average usage and effect upon the average bill for each customer classification.

The revised Notice is being published in the London Sentinel Echo and we will furnish the Commission with an affidavit and tearsheet as soon as same is available.

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

Sincerely,

Rubin & Hays

By   
W. Randall Jones

WRJ:jl  
Enclosures  
cc: Distribution List

MAR 02 2018

PUBLIC SERVICE  
COMMISSION

**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 Wood Creek Water District (“District”) of a change in sewer rates for users of the District's sewer system. The changes in sewer 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 \$896,000 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 sewer rates as set forth below:

**Current Monthly Sewer Rates**

<u>5/8” x 3/4” Meters</u>	<u>Monthly Rate</u>
First 2,000 gallons	\$24.22 Minimum
Next 1,500 gallons	\$8.78 Per 1,000 gallons
Next 1,500 gallons	\$8.14 Per 1,000 gallons
Next 2,500 gallons	\$7.29 Per 1,000 gallons
All Over 7,500 gallons	\$6.36 Per 1,000 gallons

<u>1” Meters</u>	<u>Monthly Rate</u>
First 5,000 gallons	\$49.60 Minimum
Next 2,500 gallons	\$7.29 Per 1,000 gallons
All Over 7,500 gallons	\$6.36 Per 1,000 gallons

<u>2” Meters</u>	<u>Monthly Rate</u>
First 20,000 gallons	\$147.30 Minimum
All Over 20,000 gallons	\$6.36 Per 1,000 gallons

<u>3” Meters</u>	<u>Monthly Rate</u>
First 30,000 gallons	\$210.87 Minimum
All Over 30,000 gallons	\$6.36 Per 1,000 gallons

<u>6” Meters</u>	<u>Monthly Rate</u>
First 100,000 gallons	\$655.85 Minimum
All Over 100,000 gallons	\$6.36 Per 1,000 gallons

**Proposed Monthly Sewer Rates**

<u>5/8” x 3/4” Meters</u>	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 2,000 gallons	\$25.86	\$1.64	6.77%
Next 1,500 gallons	\$9.37	\$0.59	6.72%
Next 1,500 gallons	\$8.69	\$0.55	6.76%
Next 2,500 gallons	\$7.78	\$0.49	6.72%
All Over 7,500 gallons	\$6.79	\$0.43	6.76%

<u>1" Meters</u>	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 5,000 gallons	\$52.96	\$1.61	6.77%
Next 2,500 gallons	\$7.78	\$0.49	6.72%
All Over 7,500 gallons	\$6.79	\$0.43	6.76%

<u>2" Meters</u>	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 20,000 gallons	\$157.28	\$9.98	6.78%
All Over 20,000 gallons	\$6.79	\$0.43	6.76%

<u>3" Meters</u>	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 30,000 gallons	\$225.15	\$14.28	6.77%
All Over 30,000 gallons	\$6.79	\$0.43	6.76%

<u>6" Meters</u>	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 100,000 gallons	\$700.28	\$45.86	6.77%
All Over 100,000 gallons	\$6.79	\$0.43	6.76%

Customer Class	Average Monthly Usage Per Customer	Average Monthly Bill (Present Rates)	Average Monthly Bill (Proposed Rates)	Increase in Average Monthly Bill (\$)	Increase in Average Monthly Bill (%)
5/8" x 3/4"	3,660	\$38.69	\$41.34	\$2.65	6.85%
1" meter	11,490	\$93.20	\$99.48	\$6.28	6.74%
2" meter	27,480	\$194.87	\$208.10	\$13.23	6.79%
3" meter	57,130	\$383.42	\$409.37	\$25.95	6.77%
6" meter	2,423,850	\$15,435.54	\$16,479.19	\$1,043.65	6.76%

The proposed monthly sewer 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 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) Wood Creek Water District Office, 1670 E. Hal Rogers Parkway, London, KY 40741; (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 8,800 linear feet of 2 and 3" sewer force main plus all necessary appurtenances along KY 1225 (Slate Lick Road) and through Binder Subdivision, and the purchase and delivery of 300 individual grinder pumps and a trailer-mounted generator. Signed: Glenn Williams, Chairman, Wood Creek Water District.