

Matthew G. Bevin  
Governor

Charles G. Snively  
Secretary  
Energy and Environment Cabinet



Commonwealth of Kentucky  
**Public Service Commission**

211 Sower Blvd.  
P.O. Box 615  
Frankfort Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

June 26, 2018

Michael J. Schmitt  
Chairman

Robert Cicero  
Vice Chairman

Talina R. Mathews  
Commissioner

**PARTIES OF RECORD**

RE: Case No. **2018-00202**

The Commission staff has reviewed the application in the above case and finds that it meets the minimum filing requirements and has been accepted for filing.

Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502-564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Gwen R. Pinson".

Gwen R. Pinson  
Executive Director

GP/AH



CITY OF LANCASTER

Billy C. Moss Municipal Center  
308 West Maple Avenue, Suite 1  
Lancaster KY 40444  
(859) 792-2241

Case No. 2018-00202



Mayor

Chris Davis

City Clerk

Debbie Carrier

City Attorney

Beth Wesley

City Council

James Bushnell

Bret Baierlein

Ken Parsons

Marshall Norton

Donnelly Barnes

Michael Gaffney

RECEIVED

JUN 18 2018

PUBLIC SERVICE  
COMMISSION

May 25, 2018

Sean Smith, General Manager  
Garrard County Water Association, Inc.  
315 Lexington Road  
Lancaster, KY 40444

Hand Delivered

FILED

JUN 18 2018

PUBLIC SERVICE  
COMMISSION

RE: Proposed Water Rate Increase

Dear Mr. Smith:

As you are aware, the Kentucky River Authority ("KRA") recently increased its Tier II Water Withdrawal Fee from \$0.13 per 1,000 gallons to \$0.22 per 1,000 gallons. Accordingly, the City of Lancaster, Kentucky ("Lancaster") is increasing the KRA Water Withdrawal Fee component of its wholesale rate to Garrard County Water Association, Inc. ("GCWA"). Lancaster is simply passing along the increased Water Withdrawal Fee and no other portion of the wholesale rate will be changed. The volumetric component will continue to be governed by the Water Purchase Agreement between Lancaster and GCWA dated October 3, 2017.

Attached are the following documents, which contain the new rate for the KRA Water Withdrawal Fee component of the wholesale rate, the proposed Effective Date, and other information required by the Public Service Commission ("PSC").

1. Customer Notice;
2. Tariff Sheet; and
3. Letter from KRA to Lancaster.

Lancaster plans to file these documents with the PSC on or before May 31, 2018. Should you have any questions or need further information, please feel free to contact me.

Sincerely,

Chris Davis  
Mayor, City of Lancaster

\*Garrard County Water Association, Inc.  
315 Lexington Road  
P. O. Box 670  
Lancaster, KY 40444

\*Sean Smith  
General Manager  
Garrard County Water Association, Inc.  
315 Lexington Road  
P. O. Box 670  
Lancaster, KY 40444