

Matthew G. Bevin
Governor

Charles G. Snively
Secretary
Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission

211 Sower Blvd.
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Frankfort Kentucky 40602-0615
Telephone: (502) 564-3940
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psc.ky.gov

June 27, 2018

Michael J. Schmitt
Chairman

Robert Cicero
Vice Chairman

Talina R. Mathews
Commissioner

PARTIES OF RECORD

RE: Case No. **2018-00205**

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

FOUNTAIN RUN WATER DISTRICT

226 Main Street, P.O. Box 118
Fountain Run, Kentucky 42133
Phone: 270-434-4080
Fax: 270-434-4081

Public Service Commission
P.O. Box 615
211 Sower Blvd
Frankfort, Kentucky 40601

June 15, 2018

FILED

RECEIVED

JUN 19 2018

JUN 19 2018

RE: Fountain Run Water District #1
Alternative Rate Filing Application

PUBLIC SERVICE
COMMISSION

PUBLIC SERVICE
COMMISSION

Please find enclosed the forms and supporting documents of the Fountain Run Water District #1 Alternative Rate Filing Application. The ARF is being filed pursuant to 807 KAR 5:076. An original and five (5) copies of the entire application are enclosed.

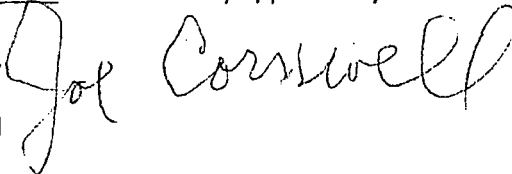
Although the utility may recover 32.47% per the *REVENUE REQUIREMENT CALCULATION - DEBT COVERAGE METHOD*, Fountain Run Water District #1 is requesting from the Commission an increase of 20% to existing water rates to cover operating, debt, and depreciation expenses that would allow the District to continue to provide safe drinking water to its customers. The District understands that no new rates shall become effective without the approval of PSC and that FRWD's request may be altered with recommendations from the Commission different than the rates proposed by FRWD.

We are herein further requesting assistance from PSC during the Staff Report phase of the ARF process that PSC assist FRWD staff in performing cost of service allocations that would allow the District to reduce the number of step classifications in our rate structure and a different minimum bill for all customers having larger than the residential 5/8" x 3/4" meters. Our staff lacks the expertise and the current operating revenues to procure professional services for these additional tasks.

A full copy of this application and related documents and filings have been sent to the Attorney General's Office of Rate Intervention, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204. Please contact our office if you have any questions or further documentation is needed to consider this application. Our email of record is frwd1@scrtc.com. We sincerely appreciate your consideration of our requests.

Respectfully,

Joe Cornwell
Chairman



cc: Attorney General's Office of Rate Intervention

Enclosures: 0 + 5 Copies of ARF Application w/ Attachments

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For Hearing Impaired, call Local TDD person for KY Relay Services - (270) 789 - 4398



Fountain Run, Kentucky
'Crossroads of Three Counties'



Fountain Run Water District
Serving Allen, Barren, and Monroe Counties

*Fountain Run Water District #1
226 Main Street
P.O. Box 118
Fountain Run, KY 42133

*Joe Cornwell
Chairman
Fountain Run Water District #1
226 Main Street
P. O. Box 118
Fountain Run, KY 42133