

**HOFFMAN & BARNES**  
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Phone: (859) 873-5427  
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August 20, 2018

RECEIVED

AUG 20 2018

PUBLIC SERVICE  
COMMISSION

Public Service Commission  
211 Sower Blvd.  
Frankfort, Kentucky 40602-0615

Hand Delivered

Re: South Woodford County Water District;  
Purchased Water Rate Adjustment (2018)

Dear Sir or Madam:

Enclosed you will please find one original Application for Purchased Water Adjustment for the South Woodford County Water District and eleven copies. Please file of record in your office and return the extra copy, stamped filed, to this office.

Please advise if you have any questions or require additional information.

Thank you.

Sincerely,

Joseph M. Hoffman

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

**RECEIVED****AUG 20 2018****PUBLIC SERVICE  
COMMISSION**

|                  |                                      |                |  |
|------------------|--------------------------------------|----------------|--|
| Name of Utility  | SOUTH WOODFORD COUNTY WATER DISTRICT |                |  |
| Date             | AUGUST 20, 2018                      |                |  |
| Address          | 117 Crossfield Drive, Unit D         |                |  |
| City, State, Zip | Versailles                           | Kentucky 40383 |  |
| Telephone Number | (859) 873-1308                       |                |  |
| Email Address    | withersrealty@aol.com                |                |  |

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 Versailles | Monthly Meter<br>Charge: \$0.00; All<br>Water Used:<br>\$2.33/1,000 gallons | Monthly Meter<br>Charge: \$0.00; All<br>Water Used:<br>\$2.42/1,000 gallons |
|                    |   |   |
|                    |   |   |

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit "A"

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 | August 1, 2017   | through | July 31, 2018    |
|      | (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.

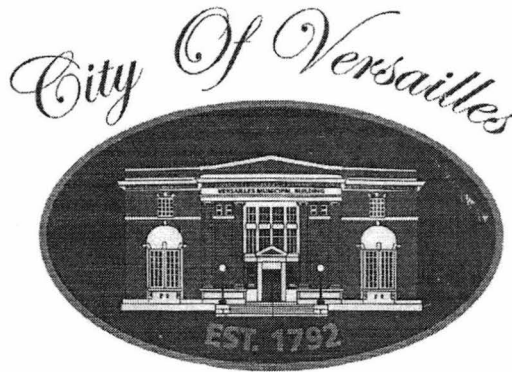
|   |  |
|---|--|
| Supplier(s)   | Gallons Purchased during 12 month period |
| City of Versailles  | 192,430,000                              |
|   |  |
|   |  |
| TOTAL PURCHASES   | 192,430,000                              |
|   |  |
| 4. Total gallons sold for the 12 month period   | 132,133,500                              |
|   |  |
| 5. Increased water cost   | \$17,318.70                              |
| <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 "B"</p>                                  |  |
|   |  |
| 6. Purchased water adjustment factor  | \$0.13 per 1,000 gallons                 |
| <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 "C"   |  |
|   |  |
| 8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit "D"   |  |
|   |  |
| 9. Proposed effective date  | August 1, 2018                           |
|   |  |
|   |  |
| Signature of Utility Officer  |  |
| CHAIRMAN  |  |
| Title   |  |

# **EXHIBIT “A”**

Brian Traugott  
Mayor  
(859) 806-7743

Allison B. White  
Clerk/Treasurer  
(859) 873-5436

Bart Miller  
Public Works Director  
(859) 873-2245



William K. Moore  
City Attorney  
(859) 873-6207

James M. Fugate  
Police Chief  
(859) 873-3126

Brian Wainscott  
Fire Chief  
(859) 873-5829

Mr. George Withers  
South Woodford Water District  
117 Crossfield Drive  
Unit D  
Versailles KY 40383

Via Certified Mail

May 3, 2018

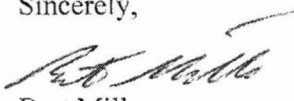
Dear Mr. Withers,

This letter is to inform you that the City of Versailles has, on this day, filed a rate increase request with the Kentucky Public Service Commission to take effect July 1, 2018.

The new rate that we are proposing is to compensate the City for the Kentucky River Authority's (KRA) withdraw fee increase that also takes effect on July 1, 2018. This action was taken by the KRA at its April 9, 2018 meeting (see attached).

As always, we appreciate your business and look forward to continue working with you. If we can be of any assistance, please feel free to contact me.

Sincerely,

  
Bart Miller  
Public Works Director

Enc: 3



196 South Main Street, P.O. Box 625, Versailles, Kentucky 40383  
(859) 873-5969 Facsimile

### NOTICE

Versailles Municipal Utilities ("Versailles Municipal") is providing notice that it plans to file with the Public Service Commission on or before June 1, 2018, to increase its wholesale water rate to South Woodford Water District and Northeast Woodford Water District as a result of an increase in the Kentucky River Authority Fee. The new rates are proposed to become effective for water service rendered on and after July 1, 2018, as set forth below:

| <u>Current Rate</u>      | <u>Proposed Rate</u>     | <u>\$ Change</u>         | <u>% Change</u> |
|--------------------------|--------------------------|--------------------------|-----------------|
| \$2.33 per 1,000 gallons | \$2.42 per 1,000 gallons | \$0.09 per 1,000 gallons | 3.9% Increase   |

Water flowing through the meter(s) before the effective date will be charged at the current rates while water flowing through the meter(s) on and after the effective date will be charged at the proposed rates.

This filing may be examined at the offices of Versailles Municipal located at 196 South Main Street in Versailles, Kentucky.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday – Friday from 8:00 am – 4:30 pm or on the PSC website at <http://psc.ky.gov>.

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort KY 40602; or through its website at <http://psc.ky.gov>.

The rates contained in this notice are the rates proposed by Versailles Municipal but the Public Service Commission may order rates that differ from the proposed rates.

Intervention may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602. The request for intervention must establish the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filing.

FOR Versailles, Kentucky  
Name of Municipality

P.S.C. KY. NO. 1

Original SHEET NO. 1

Versailles Municipal Utilities  
(Name of Municipal Utility)

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

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RATES AND CHARGES

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MONTHLY WHOLESALE RATES: South Woodford Water District

Northeast Woodford Water District

Gallons of Water Used Per Month:

Monthly Charge Per 1,000 Gallons:

Monthly Meter Charge

\$0.00

All Water Used

\$2.42


(I)

(D)

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DATE OF ISSUE May 1, 2018  
Month / Date / Year

DATE EFFECTIVE July 1, 2018  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE Public Works Director

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. N/A DATED N/A

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COMMONWEALTH OF KENTUCKY

**MATT BEVIN**  
Governor

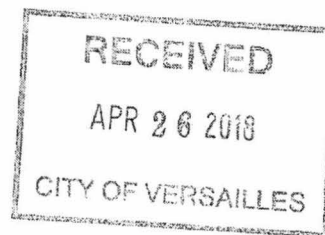
KENTUCKY RIVER AUTHORITY  
403 WAPPING STREET, SUITE 105  
FRANKFORT, KENTUCKY 40601  
OFFICE (502) 564-2866  
FAX (502) 564-2681  
KRA.ky.gov

**JERRY T. GRAVES**  
Executive Director

**MICHAEL H. FLYNN**  
Chairman

April 23, 2018

Mr. Bart Miller, Public Works Director  
196 S. Main St.  
Versailles, KY 40383



Dear Mr. Miller:

The Kentucky River Authority, at its April 9<sup>th</sup> board meeting, voted to adjust the Tier II water withdrawal fee set forth in administrative regulation 420 KAR 1:050. **Beginning July 1, 2018 the new Tier II rate will be \$0.22 per 1,000 gallons** of water withdrawn. (Currently this rate is \$0.13 per 1,000 gallons). The Tier I rate will remain unchanged. This rate increase is necessary to fund the debt service required for the capital improvements at Dam 10 on the Kentucky River. If you have any questions, please call our office at (502) 564-2866.

Sincerely,

Jerry Graves  
Executive Director  
Kentucky River Authority



## **EXHIBIT “B”**

## **SOUTH WOODFORD COUNTY WATER DISTRICT**

### **PURCHASED WATER ADJUSTMENT (2018)**

|                      | <u>Line 3</u><br>Water Purchased<br>(1000 gallons) | <u>Line 4</u><br>Water Sold<br>(1000 gallons) | <u>A</u><br>Cost at<br>base rate<br>(\$2.33/<br>1000 gallons) | <u>B</u><br>Cost at<br>new rate<br>(\$2.42/<br>1000 gallons) |
|----------------------|--|---|---|--|
| 8/1/2017 – 7/31/2018 | 192,430.0  | 132,133.5                                     | \$448,361.90  | \$465,680.60   |

Line 5: Increased Water Cost:  $B - A = \$465,680.60 - \$448,361.90 = \$17,318.70$

Line 6: Purchased Water Adjustment Factor: Line 5 divided by Line 4 =  $\$17,318.70 / 132,133.50 = \$0.13$  per 1000 gallons

## **EXHIBIT “C”**

## **SOUTH WOODFORD COUNTY WATER DISTRICT**

### **PURCHASED WATER ADJUSTMENT (2018)**

#### **CURRENT AND PROPOSED RATES**

| <u>Monthly Water Rates</u>                  | <u>Current</u> | <u>Proposed</u> |
|---|----------------|-----------------|
| First 2,000 gallons (minimum bill)          | \$20.20        | \$20.46         |
| Next 2,000 gallons (per 1000 gallons)       | \$ 4.85        | \$ 4.98         |
| Next 6,000 gallons (per 1000 gallons)       | \$ 4.64        | \$ 4.77         |
| Next 90,000 gallons (per 1000 gallons)      | \$ 4.31        | \$ 4.44         |
| All over 100,000 gallons (per 1000 gallons) | \$ 3.91        | \$ 4.04         |

## **EXHIBIT “D”**

**SOUTH WOODFORD COUNTY WATER DISTRICT  
RESOLUTION REGARDING PURCHASED WATER RATE  
ADJUSTMENT**

**WHEREAS**, the South Woodford County Water District (the Water District) has been notified by its water supplier, the City of Versailles, that the Kentucky River Authority has increased the water withdrawal fee for water withdrawn from the Kentucky River and that the City of Versailles has therefore increased its fees charged to the Water District; and

**WHEREAS**, it is necessary for the Water District to adjust the rates it charges to its customers in order to pay for the increased cost of the water purchased by the Water District from the City of Versailles;

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH WOODFORD COUNTY WATER DISTRICT AS FOLLOWS:

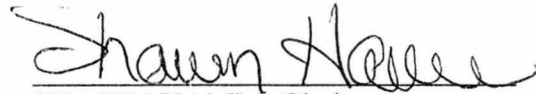
Section 1. That the rates charged by the Water District to its customers shall be adjusted as follows:

| <u>Monthly Water Rates</u>                  | <u>Current</u> | <u>New</u> |
|---|----------------|------------|
| First 2,000 gallons (minimum bill)          | \$20.20        | \$20.46    |
| Next 2,000 gallons (per 1000 gallons)       | \$ 4.85        | \$ 4.98    |
| Next 6,000 gallons (per 1000 gallons)       | \$ 4.64        | \$ 4.77    |
| Next 90,000 gallons (per 1000 gallons)      | \$ 4.31        | \$ 4.44    |
| All over 100,000 gallons (per 1000 gallons) | \$ 3.91        | \$ 4.04    |

Section 2. That the Chairman of the Water District is authorized to sign and submit an application to the Commonwealth of Kentucky Public Service Commission setting forth the foregoing adjustment to the Water District's rates.

Section 3. The adjustment in the Water District's rates shall be effective August 1, 2018.

The forgoing Resolution was passed by the unanimous vote of the Commissioners of the South Woodford County Water District at a properly called special meeting held on the 20<sup>th</sup> day of August, 2018.

  
SHAWN HAMM, Chairman