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PUBLIC SERVICE
COMMISSION

October 14, 2018

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

RE: Case No. 2018-00301
Formal Application to Increase Rates
Purchased Water Adjustment
Morgan County Water District, West Liberty KY

Dear Ms. Pinson:

Please find attached Morgan County Water District Resolution authorizing the rate increase. Should you have any questions concerning this matter, please do not hesitate to contact me at (502) 343-8518 or email me at montyrhody@gmail.com.

Sincerely,



Monty Rhody, P.E.

Attachments

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF MORGAN COUNTY WATER DISTRICT ADJUSTING WATER RATES AND CHARGES TO OFFSET CAVERUN WATER COMMISSION'S WHOLESALE RATE INCREASE

WHEREAS, the Caverun Water Commission ("CRWC") is a wholesale water supplier to Morgan County Water District;

WHEREAS, on May 26th CRWC notified Morgan County Water District of an increase in its wholesale water rate from \$2.57 per 1,000 gallons to \$2.67 per 1,000 gallons effective July 1, 2017;

WHEREAS, based upon the water purchases from CRWC during the previous 12 months, the annual increased cost to Morgan County Water District will be approximately **\$10,720.80**;

WHEREAS, prudent financial management dictates that Morgan County Water District take immediate action to adjust its retail rates commensurate with CRWC's wholesale rate increase; and

WHEREAS, KRS 278.015 and 807 KAR 5:068 provide legal mechanism for Morgan County Water District to increase its water rates commensurate with CRWC's wholesale rate increase via a Purchased Water Adjustment ("PWA");

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF MORGAN COUNTY WATER DISTRICT AS FOLLOWS:

Section 1. The facts, recitals, and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution.

Section 2. The PWA factor is \$0.10 per 1,000 gallons;

Section 3. All tiers of all meter sizes of Morgan County Water District's existing tariff shall be increased by \$0.10 per 1,000 gallons, effective October 1, 2018, subject to any minor adjustment that may be made by the Kentucky Public Service Commission.

Section 4. The monthly water rates to be charged to and collected from the customers and users of Morgan County Water District's water system shall be as set forth in Appendix A, which is attached hereto and is incorporated herein by reference as a part of this Resolution. These monthly rates and charges shall be in effect for all water service rendered on and after October 1, 2018.

Section 5. The Chairman is hereby authorized and directed to execute and file the PWA Application, Tariff Sheet, and all other documents that may be required by the Kentucky Public Service Commission.

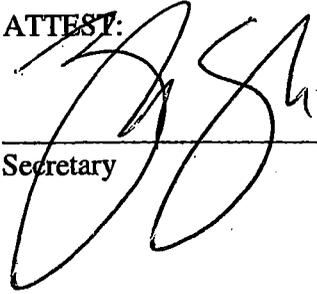
Section 6. The Chairman, all appropriate Staff, and Morgan County Water District's attorney are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement the PWA.

Section 7. This Resolution shall take effect upon its adoption.

ADOPTED BY THE BOARD OF COMMISSIONERS OF MORGAN COUNTY WATER DISTRICT at a meeting held on October 8th, 2018 signed by the Chairman, and attested by the Secretary.

Kyle Risner, Chairman 

ATTEST:


Secretary