

ORIGINAL

EAST CASEY COUNTY WATER DISTRICT

P. O. BOX 56, 690 SOUTH WALLACE WILKINSON BOULEVARD
LIBERTY, KY 42539
606-787-9961

RECEIVED

SEP 25 2018

PUBLIC SERVICE
COMMISSION

September 18, 2018

Commonwealth of Kentucky
Public Service Commission
Tariff Review Branch
P. O. Box 615, 211 Sower Blvd.
Frankfort, Kentucky 40601

RE: Purchase Water Adjustment Request

Dear Sirs:

Transmitted herewith are the original and 10 copies of a request to adjust the District's rates to cover rate increases imposed by the City of Russell Springs. Also attached is a revised RATES AND CHARGES tariff sheet issued by the chair.

If there are any questions please contact either the District or our engineer, Eddie Brown with Kenvirons, Inc. at (502) 695-4357.

Sincerely,



Ricky Carman,
Chairman

Attachments

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

RECEIVED

SEP 25 2018

PUBLIC SERVICE
COMMISSION

Name of Utility	East Casey County Water District		
Date	September 18, 2018		
Address	P.O. Box 56		
City, State, Zip	Liberty, KY, 42539		
Telephone Number	(606) 787-9961		
Email Address	agreynolds@windstream.net		

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
See Attachment		

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	July 2017	through	June 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.

SEP 25 2018

PUBLIC SERVICE
COMMISSION

Supplier(s)	Gallons Purchased during 12 month period
See Attachment	
TOTAL PURCHASES	
4. Total gallons sold for the 12 month period	218,645,000
5. Increased water cost	\$70,499.00
<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	\$0.322 per 1,000 gals.
<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	October 16, 2018
	
Signature of Utility Officer	
	
Title	

**EAST CASEY COUNTY WATER DISTRICT
WHOLESALE SUPPLIER(S)**

Supplier(s)	Base Rate Per 1,000 Gallons	Changed Rate Per 1,000 Gallons
City of Russell Springs	\$1.68	\$2.98
City of Liberty	\$2.55	\$2.55
City of Campbellsville	\$1.97	\$1.97
City of Eubank	\$4.62	\$4.62

**EAST CASEY COUNTY WATER DISTRICT
STATEMENT OF WATER PURCHASES**

Supplier(s)	Gallons Purchased during 12 Month Period
City of Russell Springs	54,230,000
City of Liberty	270,224,000
City of Campbellsville	15,939,100
City of Eubank	803,200
TOTAL PURCHASES	341,196,300

EXHIBIT A

**RATE TARIFFS PENDING PSC APPROVAL
CITY OF RUSSELL SPRINGS**



City of Russell Springs

P.O. Box 247 • Russell Springs, KY 42642
270-866-3981 • Fax 270-866-3860 • TDD 1-800-247-2510

September 7, 2018

Mr. Andy Greynolds, Manager
East Casey County Water District
PO Box 56
Liberty, KY 42539

RE: Proposed Water Rate Increase

Dear Mr. Greynolds:

As you know, the Russell Springs City Council recently enacted Ordinance No. 2018-01, which amends the wholesale rate for water service provided by Russell Springs to the East Casey County Water District.

Attached are the following documents, which contain the new rates, the proposed Effective Date, and other information, required by the PSC:

1. Customer Notice; and
2. Tariff Sheet.

Russell Springs plans to file these documents with the PSC on or before September 12, 2018. If you have any questions, please let me know.

Sincerely,

Eric Selby, Mayor
City of Russell Springs

Enclosures

CUSTOMER NOTICE

The City of Russell Springs (“Russell Springs”) is providing notice that it plans to file with the Public Service Commission, on or before September 12, 2018, to increase its wholesale water rate to the East Casey County Water District effective for water service on and after October 16, 2018. The proposed rate is as follows:

	Current Rate	Proposed Rate	\$ Difference	% Difference
Volume Charge (per 1,000 gallons)	\$1.68	\$2.98	\$1.30 increase	77.4% increase

East Casey County Water District purchased 54,230,000 gallons of water from Russell Springs during the 12 months which ended June 30, 2018. Its average monthly purchases were 4,519,167 gallons. Under the current rate, East Casey County Water District’s average monthly bill is \$7,592. Under the proposed rate, East Casey County Water District’s average monthly bill will be \$13,467. This is an increase of \$5,875 per month or 77.4%.

Water flowing through the meters before the effective date will be charged at the current rate while water flowing through the meters on and after the effective date will be charged at the new rate.

This filing may be examined at the office of Russell Springs located at 387 Main Street, Russell Springs, Kentucky 42642. Please contact Wanda Burton at (270) 866-3496 regarding any questions related to the proposed rate.

The 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 Commission 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, Kentucky 40602 or through its website at <http://psc.ky.gov>.

The new rate is the rate proposed by Russell Springs in its filing, but the Public Service Commission may order rates that differ from the proposed rate contained in this Customer Notice.

Intervention by East Casey County Water District or another person with a substantial interest may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 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 prior to the effective date of the proposed rate, the Public Service Commission may take final action on the proposed rate.

FOR East Casey Co. Water District
Community, Town or City

P.S.C. KY. NO. _____

Original SHEET NO. 1

City of Russell Springs
(Name of Municipal Utility)

CANCELLING P.S.C. KY. NO. _____

N/A SHEET NO. N/A

RATES AND CHARGES

MONTHLY WHOLESALE WATER RATE

East Casey County Water District

\$ 2.98 Per 1,000 Gallons (I)

DATE OF ISSUE September 7, 2018
Month / Date / Year

DATE EFFECTIVE October 16, 2018
Month / Date / Year

ISSUED BY  _____
(Signature of Officer)

TITLE Mayor

By Authority Of Order Of The Public Service Commission
IN CASE NO. _____ DATED _____

EXHIBIT B

TEST YEAR WATER PURCHASES AND SALES

EXHIBIT B
TEST YEAR WATER PURCHASES AND SALES

Month	Purchased Water City of Liberty (Gallons)	Purchased Water City of Russell (Gallons)	Purchased Water City of Campbellsville (Gallons)	Purchased Water City of Ubank (Gallons)	Total Water Purchased (Gallons)	Total Sales (Gallons)	
Jul-17	25,185,000	4,059,000	1,424,000	64,000	30,732,000	19,607,000	
Aug-17	13,445,000	3,830,000	1,553,000	70,800	18,898,800	27,952,000	
Sep-17	29,751,000	4,061,000	1,405,000	70,300	35,287,300	17,308,000	
Oct-17	15,914,000	4,485,000	1,357,000	47,700	21,803,700	18,244,000	
Nov-17	26,044,000	3,940,000	1,121,000	53,700	31,158,700	17,350,000	
Dec-17	14,465,000	5,007,000	1,349,000	68,600	20,889,600	16,133,000	
Jan-18	22,149,000	3,573,000	1,645,000	72,900	27,439,900	15,486,000	
Feb-18	34,076,000	4,856,000	1,232,000	79,600	40,243,600	21,836,000	
Mar-18	22,338,000	5,560,000	2,094,000	85,300	30,077,300	16,052,000	
Apr-18	19,942,000	4,508,000	1,004,000	56,700	25,510,700	13,584,000	
May-18	21,644,000	5,070,000	307,100	50,600	27,071,700	16,252,000	
Jun-18	25,271,000	5,281,000	1,448,000	83,000	32,083,000	18,841,000	
Totals	270,224,000	54,230,000	15,939,100	803,200	341,196,300	218,645,000	
Avg	22,518,667	4,519,167	1,328,258	66,933	28,433,025		
Min					18,898,800		
Max					40,243,600		
Increased Water Costs:	(((\$1.30 x 54,230,000))/1,000 gallons						\$70,499.00
Purchased Water Adjustment Factor:						\$70,499.00 /218,645,000 =	\$0.322

EXHIBIT C

PUBLIC NOTICE EAST CASEY COUNTY WATER DISTRICT PURCHASED WATER ADJUSTMENT

Due to increases in the wholesale rate for water purchased from the City of Russell Springs, the East Casey County Water District has applied to the Kentucky Public Service Commission for a rate increase to cover its increased costs. The rates contained herein are the rates proposed by East Casey County Water District for all customers, however the Public Service Commission may order rates to be charged that are higher or lower than the rates proposed in this notice. Any corporation, association, body public or person may request leave to intervene by motion within thirty (30) days after notice of the proposed rates change is given. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Kentucky Public Service Commission, 211 Sower Boulevard, P. O. Box 615, Frankfort, KY 40602, and shall set forth the grounds for the motion including the status and interest of the party. The application may be reviewed at the East Casey County Water District at 690 South Wallace Wilkinson Boulevard Liberty, KY 42539 and the Kentucky Public Service Commission office listed above Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Commission's website at <http://psc.ky.gov>.

MONTHLY WATER RATES

	CURRENT RATE	PROPOSED RATE	INCREASE PER 1,000 GALLONS
First 2,000 gallons	\$16.60 (minimum bill)	\$17.24 (minimum bill)	\$0.64 or 3.86%
Next 3,000 gallons	7.10 per 1,000 gallons	7.42 per 1,000 gallons	\$0.32 or 4.51%
Next 5,000 gallons	6.80 per 1,000 gallons	7.12 per 1,000 gallons	\$0.32 or 4.71%
Next 5,000 gallons	6.50 per 1,000 gallons	6.82 per 1,000 gallons	\$0.32 or 4.92%
Next 5,000 gallons	6.20 per 1,000 gallons	6.52 per 1,000 gallons	\$0.32 or 5.16%
Over 20,000 gallons	5.60 per 1,000 gallons	5.92 per 1,000 gallons	\$0.32 or 5.71%
Average Monthly Bill for 4,000 gallons	\$30.80	\$32.08	\$1.28 or 4.16%

The proposed rates are scheduled to go into effect with the November 2018 meter readings which will be reflected on the first billing following December 1, 2018. The proposed rate increase of \$1.30/1,000 gallons will compensate for the higher wholesale purchase water rates proposed by the City of Russell Springs.

EXHIBIT D

RESOLUTION

RESOLUTION OF THE EAST CASEY COUNTY WATER DISTRICT, AUTHORIZING THE IMPLEMENTATION OF NEW RATES, SUBMITTING NEW RATES TO THE PUBLIC SERVICE COMMISSION AND AUTHORIZING A REPRESENTATIVE TO SIGN ALL RELATED DOCUMENTS

WHEREAS, the City of Russell Springs is raising the wholesale cost of water pending approval from the Public Service Commission; and

WHEREAS, the District desires to adjust its rates to its customers to reflect the wholesale rate increase.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the East Casey County Water District as follows:

SECTION 1. That the District hereby accepts the rates awarded by the Public Service Commission pending approval and approves the raising of rates by a compensating amount to its customers.

SECTION 2. That the Chairperson is hereby authorized, directed and empowered by the District's Board of Commissioners to execute the necessary documents, and to otherwise act on behalf of the District to implement the changed rates.

SECTION 3. This Resolution shall take effect immediately upon passage.

ADOPTED on September 18, 2018.

East Casey County Water District

A handwritten signature in blue ink, appearing to read "R. S. Cannon", is written over a horizontal line.

Title: Chairman

ATTESTED:

A handwritten signature in blue ink, appearing to read "Lily Sandusky", is written over a horizontal line.

Title: Secretary

FOR CASEY COUNTY, KENTUCKY

PSC KY NO. 1

11th Revised SHEET NO. 4

EAST CASEY COUNTY WATER DISTRICT
(NAME OF UTILITY)

CANCELLING PSC KY NO. 1

10th Revised SHEET NO. 4

A. MONTHLY RATES:

First	2,000 Gallons	\$17.24	Minimum Bill
Next	3,000 Gallons	\$7.42	Per 1,000 Gallons
Next	5,000 Gallons	\$7.12	Per 1,000 Gallons
Next	5,000 Gallons	\$6.82	Per 1,000 Gallons
Next	5,000 Gallons	\$6.52	Per 1,000 Gallons
Over	20,000 Gallons	\$5.92	Per 1,000 Gallons

DATE OF ISSUE _____

MONTH / DATE / YEAR

DATE EFFECTIVE October 16, 2018

MONTH / DATE / YEAR

ISSUED BY 

SIGNATURE OF OFFICER

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____