

**MARION COUNTY WATER DISTRICT
1835 CAMPBELLSVILLE ROAD
P O BOX 528
LEBANON, KY 40033**

RECEIVED

JUN 12 2019

PUBLIC SERVICE
COMMISSION

●
Telephone: 270-692-2004
Fax: 270-692-1010
TTY: 1-800-648-6956 or 711

June 12, 2019

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

RE: Formal Application to Increase Rates Pursuant to
Purchased Water Adjustment Regulation 807 KAR 5:068

Dear Ms. Pinson:

The Marion County Water District respectfully requests that the Commission allow for an adjustment to our rates in accordance with 807 KAR 5:068 Purchased Water Adjustment clause.

The District was recently notified by its supplier, Campbellsville Municipal Water & Sewer, that it will increase the District's wholesale rate by \$0.38 per 1000 gallons. This increase will become effective on July 1, 2019. The result of the increase is \$1,350.52 in additional annual supply cost for the District. This translates into \$0.01 per 1000 gallons of water sold to our customers. Therefore, we propose to increase our rates by that amount.

The following supporting documentation is enclosed for your review:

- Exhibit A – Purchase Water Rate Adjustment
- Exhibit B – Copy of Campbellsville Water & Sewer's Notice of an Increase in Wholesale Rates
- Exhibit C – Statement of Water Purchased
- Exhibit D – Statement of Water Sold
- Exhibit E – Notice to Customers
- Exhibit F – Revised Tariff Sheet
- Exhibit G – Resolution of the Board of Commissioners formally authorizing the proposed rates.

The Notice to Customers will be published in accordance with Commission regulations and verification of its publication will be provided to the Commission.

Should you have any questions please contact Lee Mudd at (502) 839-1310, as he is handling this matter on behalf of the District.

Sincerely,



Jeff Preston, Chairman

JP/jlm

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PUBLIC SERVICE
COMMISSION

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

Name of Utility	Marion County Water District	
Date	6/12/19	
Address	P.O. Box 528	
City, State, Zip	Lebanon, Kentucky	40033
Telephone Number	(270) 692-2004	

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
Campbellsville Municipal Water & Sewer	Rate per 1000 gallons: \$1.97	Rate per 1000 gallons: \$2.35
Lebanon Water Works Company	Monthly Meter Service Charge: \$94.08 (Twelve (12) meters @ \$7.84 per meter) Rate per 100 Cubic Feet: \$2.90 <i>Equivalent Rate per 1,000 gallons: \$3.8767</i>	No Change

1.b. A copy of the supplier's notice of the changed rates showing the effective date of the increases are attached as Exhibit B.

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	May 2018	through	April 2019
	(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
Campbellsville Municipal Water & Sewer	3,554,000
Lebanon Water Works Company	453,891,375
TOTAL PURCHASES	457,445,375

4. Total sales for the 12 month period 374,975,864

5. Increased water cost \$1,350.52

The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.

6. Purchased water adjustment factor \$0.01

The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.

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. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.

7. Proposed effective date July 1, 2019



Signature of Utility Officer

Chairman
Title

Increased Water Cost Calculation:

Campbellsville Municipal Water & Sewer

$$(3,554.0 \times \$2.35) = \$8,351.90$$

$$(3,554.0 \times \$1.97) = \$7,001.38$$

$$\text{Increased Water Cost} = \$1,350.52$$

Purchased Water Adjustment Factor Calculation:

$$\text{Increased Water Cost} = \$1,350.52$$

$$\text{Total Gallons Sold} = 374,975,864$$

$$\$1,350.52 / 374,975.864 = \$0.0036 \text{ per 1000 Gallons}$$

$$= \$0.01 \text{ per 1000 Gallons}$$

April 24, 2019

Marion County Water District
C/O Jimmy Mudd
P.O. Box 528
Lebanon, KY 40033

RE: Proposed Water Rate Increase

Dear Mr. Mudd:

The Campbellsville Water & Sewer Committee met on March 26, 2019 and recommended to the Campbellsville City Council an increase in Marion County Water District's rate for water service from Campbellsville Water.

The Wholesale Water Rate for Marion County Water District will increase from \$1.97 per 1000 gallons to \$2.35 per 1,000 gallons.

The Campbellsville City Council will have the first reading of the proposed rate increase on Monday, May 6, 2019, and the anticipated second reading on Wednesday, May 29, 2019.

The proposed rate increase will be effective for water used on and after July 1, 2019.

Attached are the following documents:

- Customer Notice
- Revised Tariff Sheet
- Proposed Rate Ordinance to be considered by the Campbellsville City Council

These documents contain the new rates, the proposed effective date, and other information, as required by the Public Service Commission.

Sincerely,



Mayor Brenda Allen

NOTICE

Notice is hereby given that Campbellsville Municipal Water & Sewer (Campbellsville Water) plans to file with the Public Service Commission on or before May 31, 2019 to increase its rates for wholesale water service to Marion County Water District effective for service on and after July 1, 2019. The proposed rates are as follows:

<u>Wholesale Water Rate</u>	<u>Current Rate</u>	<u>New Rate</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Marion County Water District	\$1.97	\$2.35	\$0.38	19.29%

The rates contained in this notice are the rates proposed by Campbellsville Water but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

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 new rates.

This filing may be examined at the offices of Campbellsville Water located at 110 S. Columbia Ave., Campbellsville, Kentucky 42718 or by contacting Millie Ramsey at the same address as above or by phone at (270) 789-3133.

The filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard, Frankfort, Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's website at <http://psc.ky.gov>.

Comments regarding the filing may be submitted to the Public Service Commission through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

Intervention by Marion 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, 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 prior to the effective date of the proposed rates, the Public Service Commission may take final action on the filing.

**STATEMENT OF WATER PURCHASED
MARION COUNTY WATER DISTRICT**

LEBANON WATER WORKS COMPANY

Month	Usage/Gallons	Total Cost
May 2018	36,958,156	165,609.37
June	44,028,776	197,275.92
July	39,623,954	153,716.36
August	43,028,476	158,193.50
September	34,515,862	133,912.26
October	37,546,608	145,662.48
November	35,631,092	138,236.02
December	34,451,982	133,664.60
January	38,281,668	148,512.31
February	38,523,122	149,448.43
March	34,736,522	134,767.76
April 2019	36,565,157	141,857.39
TOTAL	453,891,375	\$1,800,856.40

CAMPBELLSVILLE MUNICIPAL WATER & SEWER

Month	Usage/Gallons	Total Cost
May 2018	253,900	554.19
June	279,100	603.83
July	333,200	710.40
August	400,500	842.98
September	268,900	583.73
October	299,200	643.43
November	424,100	889.48
December	218,500	484.45
January	245,400	537.44
February	280,700	606.98
March	283,300	612.10
April 2019	267,200	580.39
TOTAL	3,554,000	\$7,649.40

**STATEMENT OF WATER SOLD
MARION COUNTY WATER DISTRICT**

Month	Residential	Commercial	Other	Total Gallons Sold
May 2018	22,940,667	7,004,325	732,509	30,677,501
June	28,784,295	7,890,890	706,603	37,381,788
July	25,962,888	8,217,055	666,182	34,846,125
August	26,400,915	7,749,060	519,580	34,669,555
September	24,934,759	3,903,630	717,382	29,555,771
October	22,143,224	6,978,433	633,964	29,755,621
November	23,118,034	7,407,093	727,472	31,252,599
December	21,492,268	6,866,701	720,810	29,079,779
January	23,060,538	6,912,704	518,404	30,491,646
February	22,118,867	7,460,954	492,886	30,072,707
March	20,563,384	6,557,381	540,310	27,661,075
April 2019	22,007,082	6,929,204	595,411	29,531,697
TOTAL	283,526,921	83,877,430	7,571,513	374,975,864

LEGAL NOTICE REGARDING THE MARION COUNTY WATER DISTRICT

Notice is hereby given that because of an increase in the cost of water purchased from Campbellsville Municipal Water & Sewer, the Marion County Water District will increase its rates for services effective July 1, 2019. An application requesting the proposed rates was filed with the Kentucky Public Service Commission on June 12, 2019 to increase rates as follows:

	<u>Existing Rates</u>	<u>Proposed Rates</u>	<u>Increase (\$)</u>	<u>Increase (%)</u>
<u>Customer Charge (Minimum Bill)</u>				
5/8 Inch x 3/4 Inch Meter	\$7.45	\$7.45	NC	NC
1 Inch Meter	\$16.20	\$16.20	NC	NC
2 Inch Meter	\$25.68	\$25.68	NC	NC
3 Inch Meter	\$40.73	\$40.73	NC	NC
4 Inch Meter	\$64.60	\$64.60	NC	NC
6 Inch Meter	\$162.59	\$162.59	NC	NC
<u>Water Charge</u>				
All Usage, per 1000 gallons:	\$6.28	\$6.29	\$0.01	0.16%

As noted above, based on the increased cost of water from Campbellsville Municipal Water & Sewer, all rates will increase by \$0.01 per 1,000 gallons. The monthly bill for an average residential customer using 5,350 gallons of water each month will increase from 41.05 to \$41.10. This is an increase of \$0.05 or 0.12%.

The charges/rates contained in this notice are the charges/rates proposed by the Marion County Water District. However, the Public Service Commission may order charges/rates to be charged that differ from these proposed charges/rates. Such action may result in charges/rates for consumers other than the charges/rates detailed in this notice.

Any person may examine this application at the offices of the Marion County Water District office located at 1835 Campbellsville Road, Lebanon, KY 40033. In addition, any person may also examine the application at the Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's website at <http://psc.ky.gov>. Any comments regarding the application may be submitted to the Public Service Commission through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602. The Public Service Commission can also be contacted at 502-564-3940.

This notice is published pursuant to 807 KAR 5:068 - Purchased Water Adjustment for Water Districts and Water Associations.

MARION COUNTY WATER DISTRICT
s/ Jeff Preston, Chairman

FOR ALL AREAS SERVED

P.S.C. KY. NO. 3

1st Revised SHEET NO. 1

CANCELLING P.S.C. KY. NO. 3

Original SHEET NO. 1

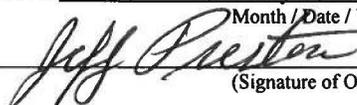
Marion County Water District
(Name of Utility)

RATES & CHARGES

	RATE PER UNIT
Customer Charge, minimum bill	
5/8 Inch x 3/4 Inch Meter	\$7.45
1 Inch Meter	\$16.20
2 Inch Meter	\$25.68
3 Inch Meter	\$40.73
4 Inch Meter	\$64.60
6 Inch Meter	\$162.59
Water Charge	
All Usage, Per 1,000 Gallons	\$6.29 (I)
Meter Connections	
5/8 Inch x 3/4 Inch Meter	\$865.00
All Larger Meters	Actual Cost
Fire Hydrants (Non-Metered 6 Inch Connect), per month	\$7.50

DATE OF ISSUE June 12, 2019
Month / Date / Year

DATE EFFECTIVE July 1, 2019
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

EXHIBIT F

RESOLUTION OF AUTHORIZATION

The Marion County Water District hereby orders an increase in the District's rates for service pursuant to 807 KAR 5:068: Purchased Water Adjustment Regulation. This action is required due to an increase in the cost of water purchased from Campbellsville Municipal Water & Sewer effective on July 1, 2019. The terms of the rate decrease shall be consistent with the District's application to the Public Service Commission to be submitted on or after June 12, 2019. The rates proposed therein shall become effective for service rendered on or after July 1, 2019.

Action herein ordered shall be duly recorded in the minutes of this public meeting of the Marion County Water District held on this 11th day of June, 2019.

Ordered this the 11th day of June, 2019.

Signed:



Jeff Preston, Chairman

Attest:



Everett Thomas, Secretary