

# WHITLEY COUNTY WATER DISTRICT

19 S. Highway 25W  
Williamsburg, Kentucky 40769-1601  
Phone: (606) 549-3600 ♦ Fax: (606) 549-5795

SANDY SMITH  
Office Manager

ALBERT MAHAN  
Field Manager

RECEIVED

JUL 02 2019

PUBLIC SERVICE  
COMMISSION

June 27, 2019

Commonwealth of Kentucky  
Public Service Commission  
Tariff Review Branch  
P. O. Box 615  
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 Jellico Electric and Water System, Jellico, TN. 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, Ken Taylor with Kenvirons, Inc. at 502 695 4357.

Sincerely,



Andy Meadors  
Chairman

Attachments

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

**RECEIVED**

**JUL 02 2019**

**PUBLIC SERVICE  
COMMISSION**

Name of Utility	Whitley County Water District	
Date	June 27, 2019	
Address	19 South Highway 25 West	
City, State, Zip	Williamsburg	KY 40769
Telephone Number	606-549-3600	
Email Address	sandysmith.wc wd@yahoo.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
Jellico TN	\$3.00/1,000 gallons	\$3.50/1,000 gallons
Corbin, KY	\$2.20/1,000 gallons	no change
Williamsburg, KY	\$2.50/1,000 gallons	no change
McCreary Co. WD, KY	\$3.48/1,000 gallons	no change

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	April 2018	through	March 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
Jellico TN	51,952,200
Corbin, KY	155,957,000
Williamsburg, KY	36,829,000
McCreary Co. WD, KY	9,496,100
4. Total gallons sold for the 12 month period	166,022,800
5. Increased water cost	\$25,976.10
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	
6. Purchased water adjustment factor	\$0.16/1,000 gallons
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.	
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, 2019	
	
Signature of Utility Officer	
CHAIRMAN	
Title	

Exhibit A



www.jellicoutilities.com

## Jellico Electric & Water System

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March 27, 2019

**TO:** Whitley County Water District  
19 U.S. Highway 25W South  
Williamsburg, KY 40769

**RE:** NOTIFICATION OF RATE INCREASE  
Agreement for Water Purchase dated April 4, 2013

In reference to Agreement for Water Purchase between The City of Jellico TN (Jellico Utilities) and The Whitley County Water District Ky.

Section 9 Rate Adjustments, permits Jellico Utilities to adjust the water purchase rate schedule annually when such rate adjustment can be justified by an increase in the actual cost of service.

Jellico Utilities hereby gives **NOTICE** to Whitley County Water District that the **NEW RATE** will be \$3.50 per thousand gallons of water starting July 1, 2019 plus a \$50.00 monthly service charge per metering station.

Contact me with any questions or concerns.

Regards,

A handwritten signature in black ink that reads "Joe D. Carroll Jr." The signature is written in a cursive style with a large, looping initial "J".

Joe D. Carroll, Jr., P.E.  
General Manager  
Ext. 101

EXHIBIT B						
TEST YEAR WATER PURCHASES AND SALES						
	Purchased Water W'burg (gals)	Purchased Water Corbin	Purchased Water Jellico	Purchased Water McCreary Co. WD (gals)	Total Water Purchased (gals)	Total Water Sold (gals)
2018						
April	3,262,000	11,207,000	4,167,900	604,100	19,241,000	13,028,200
May	3,181,000	10,754,000	4,768,300	548,800	19,252,100	11,653,600
June	3,900,000	14,732,000	4,453,000	715,200	23,800,200	17,591,600
July	4,000,000	12,602,000	4,766,000	831,000	22,199,000	14,524,000
August	3,412,000	11,759,000	4,077,200	934,300	20,182,500	14,679,200
Sept.	2,674,000	11,934,000	4,011,600	927,500	19,547,100	16,926,000
Oct.	3,452,000	11,891,000	3,468,500	874,100	19,685,600	13,415,600
Nov.	2,525,000	13,835,000	3,994,300	943,900	21,298,200	14,061,100
Dec.	2,426,000	13,312,000	4,379,000	754,000	20,871,000	12,518,900
2019						
Jan.	2,767,000	16,265,000	4,571,300	800,700	24,404,000	13,228,300
Feb.	2,742,000	13,462,000	4,637,900	817,200	21,659,100	13,913,700
Mar.	2,488,000	14,204,000	4,657,200	745,300	22,094,500	10,482,600
Totals	36,829,000	155,957,000	51,952,200	9,496,100	254,234,300	166,022,800
Avg					21,186,192	13,835,233
Min					19,241,000	10,482,600
Max					24,404,000	17,591,600
Increased water costs:				$\$0.50 \times 51,952,200 / 1,000 =$	\$25,976.10	
Purchased Water Adjustment Factor:			$\$25,976.10 / 166,022.8 =$	\$0.156	per 1,000 gal	

**PUBLIC NOTICE  
WHITLEY COUNTY WATER DISTRICT NO.1  
PURCHASED WATER ADJUSTMENT**

Due to increases in the wholesale rate for water purchased from the City of Jellico TN, Whitley County Water District No.1 (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 the 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 District's office at 19 US Highway 25W South, Williamsburg, KY 40769 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**

	OLD RATE	NEW RATE	INCREASE PER 1,000 GALLONS
First 1,000 gallons	\$19.35 (minimum bill)	\$19.51 (minimum bill)	0.83%
Next 4,000 gallons	6.81 per 1,000 gallons	6.97 per 1,000 gallons	2.35%
Next 95,000 gallons	6.39 per 1,000 gallons	6.55 per 1,000 gallons	2.50%
All over 100,000 gallons	5.84 per 1,000 gallons	6.00 per 1,000 gallons	2.74%
 Average Monthly Bill for 4,200 gallons	 \$41.14	 \$41.81	 1.63%

The proposed rates are scheduled to go into effect with the August 2019 meter readings which will be reflected on the first billing following September 1, 2019. The proposed rate increase of \$0.16/1,000 gallons or \$0.67 on the average monthly bill will compensate for the higher wholesale purchase water rate implemented by the Jellico Electric and Water System.

**EXHIBIT D**

**RESOLUTION**

RESOLUTION OF THE WHITLEY COUNTY WATER DISTRICT NO. 1, 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 Jellico Electric and Water System of Jellico, Tennessee has increased the wholesale cost of water it provides to the District; 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 Whitley County Water District No. 1 as follows:

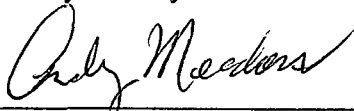
SECTION 1. That the District hereby accepts the rate proposed and approves the raising of rates by a compensating amount to its customers.

SECTION 2. That the Chair is hereby authorized, directed and empowered by the District 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 June 27, 2019

Whitley County Water District No. 1



Andy Meadors

Title: Chair

ATTESTED:



Bob Durham

Title: Secretary

FOR entire service area rural Whitley Co.  
Community, Town or City

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

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

Whitley County Water District No. 1  
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2012-00124

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

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**RULES AND REGULATIONS**

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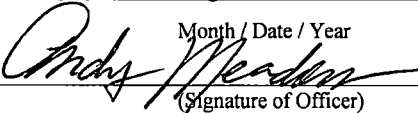
**Monthly Water Rates**

First	1,000 gallons	\$19.51 Minimum Bill
Next	4,000 gallons	\$6.97 per 1,000 gallons
Next	95,000 gallons	\$6.55 per 1,000 gallons
All Over	100,000 gallons	\$6.00 per 1,000 gallons

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DATE OF ISSUE June 27, 2019  
Month / Date / Year

DATE EFFECTIVE August 1, 2019  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION OF KENTUCKY

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_