

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

CASE NO. 2017-00404

Name of Utility	Monroe County Water District		
Date	October 13, 2017		
Address	205 Capp Harlan Road		
City, State, Zip	Topkinsville, KY	42167	
Telephone Number	(270) 487-8131		
Email Address	mcwdjd@scrtc.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 Tompkinsville	\$2.25 per 1,000 gallons	\$3.00 per 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 2016	through	July 2017
	(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 Tompkinsville	285,122,100
TOTAL PURCHASES	
4. Total gallons sold for the 12 month period	227,609,430
5. Increased water cost	\$213,841.49
<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	\$0.9395 - \$.94 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	October 1, 2017 at 12:01 a.m.
	
Signature of Utility Officer	
Chair, Monroe County Water District Board of Commissioners	
Title	

EXHIBIT A

City of Tompkinsville

City Clerk

Lesley Page

Attorney

Richard D. Jackson

Scotty D. Turner, Mayor

206 N Magnolia Street
Tompkinsville, KY 42167

Phone (270-487-6776)

TTY (Hearing or Speech Disabled) 800-648-6056

Commissioners

Anita Bartlett

Bobby Adams

Tenna Cain

Tony Bartley

August 1, 2017

Mr. Mark Williams
Monroe County Water District
205 Capp Harlan Road
Tompkinsville, KY 42167

RECEIVED

AUG 08 2017

PUBLIC SERVICE
COMMISSION

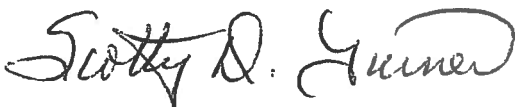
**RE: City of Tompkinsville / Monroe County Water District
Wholesale Water Sales Rate Increase**

Dear Chairman Williams:

Please find enclosed the required paperwork necessary to seek approval from the PSC to increase the wholesale water rate amount charged to the District by the City. While the City's Ordinance was enacted and published in June, the City understands that the new rate is not effective until after 30 days from today AND must have PSC approval, so that the District will continue at the present rate per 1,000 gallons until such time as all requirements are met.

Please feel free to contact the City should you have any questions, comments, or need any further information. I appreciate your assistance with this matter and I will be available anytime should you require anything else from myself of the city.

Sincerely,



Scotty Turner
Mayor

Enclosures

City of Tompkinsville

City Clerk

Lesley Page

Attorney

Richard D. Jackson

Scotty D. Turner, Mayor

206 N Magnolia Street

Tompkinsville, KY 42167

Phone (270-487-6776)

TTY (Hearing or Speech Disabled) 800-648-6056

Commissioners

Anita Bartlett

Bobby Adams

Tenna Cain

Tony Bartley

August 1, 2017

RECEIVED

AUG 08 2017

Mr. Mark Williams
Monroe County Water District
205 Capp Harlan Road
Tompkinsville, KY 42167

PUBLIC SERVICE
COMMISSION

**RE: City of Tompkinsville / Monroe County Water District
Wholesale Water Sales Rate Increase**

Dear Chairman Williams:


The purpose of this letter is to inform you that the City of Tompkinsville Commission has voted to enact new water rates. Per ordinance # 2017-06, these new rates are to be effective September 1, 2017 at the following rates:

The wholesale rate shall be: \$3.00 per 1,000 gallons

These new water rates shall replace the prior wholesale rates of \$2.25 per 1,000 gallons.

If you should have any questions, then please contact Mr. Richard Jackson or City Hall at the numbers listed above.

Respectfully,



Scotty Turner
Mayor

Enclosures

NOTICE

The City of Tompkinsville is providing notice that it filed with the Public Service Commission on or before August 1, 2017 to increase the wholesale rate it charges the Monroe County Water District effective for water service on or after September 1, 2017. The proposed rate is as follows:

Monroe County Water District

Current Rate	\$2.25 per 1,000 gallons
New Rate	\$3.00 per 1,000 gallons
\$ Change	\$0.75 Increase
% Change	33.3% Increase

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

In accordance with Public Service Commission procedures, the effective date of the new rate cannot be prior to the expiration of a 30-day notice given to both the Commission and the Monroe County Water District.

This filing may be examined at the offices of the City of Tompkinsville located at 206 North Magnolia Street, Tompkinsville, Kentucky.

This filing may also be examined at the office of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday thru Friday from 8:00am to 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, Kentucky, 40602, or through its website at <http://psc.ky.gov>.

The new rate is the rate proposed by the City of Tompkinsville in its filing but the Public Service Commission may order a rate that differs from the proposed rate contained in this notice.

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. Intervention may be granted beyond the thirty (30) day period for good cause shown. Intervention 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.

CITY OF TOMPKINSVILLE
ORDINANCE NO. 2017-06
SPONSORED BY: MAYOR SCOTTY TURNER

**AN ORDINANCE ESTABLISHING NEW WATER RATES AND REPEALING CITY OF
TOMPKINSVILLE ORDINANCE NO. 2015-017**

BE IT HEREBY ORDAINED by the City of Tompkinsville, Kentucky, as follows:

Section 1. WHEREAS, the rate at which the City of Tompkinsville shall sell water to its retail customers shall be increased as follows beginning the 1st day of August, 2017:

- a. The first 1,000 gallons: \$19.00 flat rate
- b. 1,001 gallons to 3,000 gallons: \$ 4.90 per additional thousand gallons
- c. 3,001 gallons to 5,000 gallons: \$4.75 per additional thousand gallons
- d. 5,001 gallons to 8,000 gallons: \$4.50 per additional thousand gallons
- e. Over 8,000 gallons: \$4.40 per additional thousand gallons
- f. The wholesale rate shall be: \$3.00 per 1,000 gallons

Section 2. This ordinance hereby rescinds, repeals, and replaces Ordinance #2015-017, pertaining to the establishment of water rates.

Section 3. This ordinance shall be effective upon two consecutive votes of the Tompkinsville City Commission and publication according to law.

/s/ Scotty D. Turner, Mayor
SCOTTY D. TURNER, MAYOR

ATTEST:

/s/ Lesley Page, City Clerk
LESLEY PAGE, CITY CLERK

First Reading: June 22, 2017

Second Reading: June 26, 2017

Publication Date: June 29, 2017

FIRST READING VOTE:

MAYOR TURNER:
AYE NAY ABS NOT PRESENT

MAYOR PRO TEM ADAMS:
AYE NAY ABS NOT PRESENT

COMMISSIONER BARTLETT:
AYE NAY ABS NOT PRESENT

COMMISSIONER BARTLEY:
AYE NAY ABS NOT PRESENT

COMMISSIONER CAIN:
AYE NAY ABS NOT PRESENT

TOTALS:

AYE: 4

NAY: 0

ABS: 0

MOTION: CARRIES FAILS

SECOND READING VOTE:

MAYOR TURNER:
AYE NAY ABS NOT PRESENT

MAYOR PRO TEM ADAMS:
AYE NAY ABS NOT PRESENT

COMMISSIONER BARTLETT:
AYE NAY ABS NOT PRESENT

COMMISSIONER BARTLEY:
AYE NAY ABS NOT PRESENT

COMMISSIONER CAIN:
AYE NAY ABS NOT PRESENT

TOTALS:

AYE: 3

NAY: 0

ABS: 0

MOTION: CARRIES FAILS

FOR Tompkinsville, Kentucky
Name of Municipality

P.S.C. KY. NO. 1

4th Revised SHEET NO. 1

CANCELLING P.S.C. KY. NO. 1

3rd Revised SHEET NO. 1

City of Tompkinsville
(Name of Municipal Utility)

RATES AND CHARGES

MONTHLY WHOLESALE WATER RATE:

Monroe County Water District

All Usage

\$3.00 Per 1,000 Gallons (*)

*Replaces old rate of \$2.25 per 1,000 gallons that the PSC stamped effective February 10, 2016

DATE OF ISSUE 08/08/2017
Month / Date / Year

DATE EFFECTIVE 09/08/2017
Month / Date / Year

ISSUED BY Scotty D. Guiner
(Signature)

TITLE Mayor

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____


KENTUCKY PUBLIC SERVICE COMMISSION
John Lyons ACTING EXECUTIVE DIRECTOR

EFFECTIVE 9/8/2017 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

EXHIBIT B

EXHIBIT B
PWA CALCULATIONS

Month	Bill Tooley Rd	Bill Tooley Rd	Old Mulkey Rd	Old Mulkey Rd	Center Point Rd	Center Point Rd	Radio Station Rd	Radio Station Rd	Total Gallons	Total Amount
	Gallons	Amount	Gallons	Amount	Gallons	Amount	Gallons	Amount		
August 2016	7,187,100	\$ 16,170.98	18,755,500	\$ 42,199.88					25,942,600	\$ 58,370.86
September 2016	8,099,400	\$ 18,223.65	20,354,900	\$ 45,798.53	100	\$ 0.23			28,454,400	\$ 64,022.41
October 2016	6,657,600	\$ 14,979.60	13,432,400	\$ 30,222.90					20,090,000	\$ 45,202.50
November 2016	6,514,500	\$ 14,657.63	14,508,900	\$ 32,645.03	1,520,600	\$ 3,421.35			22,544,000	\$ 50,724.01
December 2016	7,512,300	\$ 16,902.68	15,185,100	\$ 34,166.48	2,081,800	\$ 4,684.05	31,400	\$ 70.65	24,810,600	\$ 55,823.86
January 2017	5,629,800	\$ 12,667.05	14,907,600	\$ 33,542.10	2,168,300	\$ 4,878.68			22,705,700	\$ 51,087.83
February 2017	5,416,300	\$ 12,186.68	12,868,300	\$ 28,953.68	1,781,800	\$ 4,009.05			20,066,400	\$ 45,149.41
March 2017	7,780,800	\$ 17,506.80	16,206,600	\$ 36,464.85	341,000	\$ 767.25			24,328,400	\$ 54,738.90
April 2017	7,689,900	\$ 17,302.28	13,196,100	\$ 29,691.23	100	\$ 0.23			20,886,100	\$ 46,993.74
May 2017	6,949,200	\$ 15,635.70	16,072,800	\$ 36,163.80			400	\$ 0.90	23,022,000	\$ 51,799.50
June 2017	7,947,300	\$ 17,881.43	18,414,400	\$ 41,432.40					26,362,100	\$ 59,314.73
July 2017	8,834,800	\$ 19,878.30	15,975,400	\$ 35,944.65	990,900	\$ 2,229.53	108,700	\$ 244.58	25,909,800	\$ 58,297.06

TOTAL PURCHASES

Current Cost: \$ 641,524.81
 At New Rate: \$ 855,366.30
 Increased Cost: \$ 213,841.49

Month	Billing Cycle 1	Billing Cycle 2	Total Sales
August 2016	10,527,990	10,516,430	21,295,500
September 2016	10,767,510	8,454,760	20,225,750
October 2016	9,458,240	8,764,010	17,905,670
November 2016	8,447,430	6,777,110	17,439,090
December 2016	8,991,660	8,556,660	17,431,360
January 2017	8,439,700	7,705,340	16,893,100
February 2017	8,453,400	7,456,250	17,474,990
March 2017	9,021,590	7,671,900	17,786,540
April 2017	8,764,950	7,925,730	18,522,540
May 2017	9,757,590	9,468,690	19,588,040
June 2017	9,830,450	11,408,670	21,239,120
July 2017	11,967,840	9,839,890	21,807,730

TOTAL SALES

227,609,430

Total Sales/Total Increase:

0.939510678

EXHIBIT C

CURRENT AND PROPOSED RATES

	Present Rate	Proposed Rate	Change (\$)	Change (%)
5/8 x 3/4 Meter				
First 2,000 Gallons	\$ 21.43 Minimum Bill	\$ 23.31 Minimum Bill	\$ 1.88	8.8
Next 3,000 Gallons	8.82 Per 1,000 Gallons	9.76 Per 1,000 Gallons	\$ 0.94	10.7
Next 5,000 Gallons	7.46 Per 1,000 Gallons	8.40 Per 1,000 Gallons	\$ 0.94	12.6
Over 10,000 Gallons	6.44 Per 1,000 Gallons	7.38 Per 1,000 Gallons	\$ 0.94	14.6
1 Inch Meter				
First 5,000 Gallons	\$ 47.88 Minimum Bill	\$ 52.58 Minimum Bill	\$ 4.70	9.8
Next 5,000 Gallons	7.46 Per 1,000 Gallons	8.40 Per 1,000 Gallons	\$ 0.94	12.6
Over 10,000 Gallons	6.44 Per 1,000 Gallons	7.38 Per 1,000 Gallons	\$ 0.94	14.6
2 Inch Meter				
First 20,000 Gallons	\$ 149.59 Minimum Bill	\$ 168.39 Minimum Bill	\$18.80	12.6
Over 20,000 Gallons	6.44 Per 1,000 Gallons	7.38 Per 1,000 Gallons	\$ 0.94	14.6
Wholesale				
	\$ 3.40 Per 1,000 Gallons	\$ 4.34 Per 1,000 Gallons	\$ 0.94	27.6

EXHIBIT D

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
MONROE COUNTY WATER DISTRICT ADJUSTING WATER
RATES AND CHARGES TO OFFSET THE CITY OF
TOMPKINSVILLE'S WHOLESALE RATE INCREASE**

WHEREAS, the City of Tompkinsville, Kentucky (“Tompkinsville”) is Monroe County Water District’s primary wholesale water supplier;

WHEREAS, on August 8, 2017, Tompkinsville filed with the Kentucky Public Service Commission notice of an increase in its wholesale water rate from \$2.25 to \$3.00 per 1,000 gallons effective September 8, 2016;

WHEREAS, based upon the water purchases from Tompkinsville during the previous 12 months, the annual increased cost to Monroe County Water District will be approximately **\$212,250.74**;

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

WHEREAS, KRS 278.015 and 807 KAR 5:068 provide the legal mechanism for Monroe County Water District to increase its water rates commensurate with Tompkinsville’s wholesale rate increase via a Purchased Water Adjustment (“PWA”);

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF MONROE 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 **\$0.99** per 1,000 gallons;


Section 3. All tiers of all meter sizes of Monroe County Water District’s tariff that are in effect as of 12:01 a.m. Central Daylight Time, October 1, 2017, shall be increased by **\$0.99** per 1,000 gallons subject to any minor adjustment that may be made by the Kentucky Public Service Commission.

Section 4. 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 5. The Chairman, all appropriate Staff, and Monroe 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.

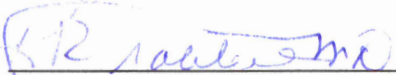
Section 6. This Resolution shall take effect as of 12:01 a.m., October 1, 2017.

ADOPTED BY THE BOARD OF COMMISSIONERS OF MONROE COUNTY
WATER DISTRICT at a meeting held on September 11, 2017, signed by the Chairman,
and attested by the Secretary.



Chairman

ATTEST:



Secretary

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
MONROE COUNTY WATER DISTRICT TO CORRECT AN ERROR
IN THE RESOLUTION OF SEPTEMBER 11, 2017 ADJUSTING
WATER RATES AND CHARGES TO OFFSET THE CITY OF
TOMPKINSVILLE'S WHOLESALE RATE INCREASE**

WHEREAS, on September 11, 2017, the Board of Commissioners of Monroe County Water District adopted a resolution to increase all tiers of all meter sizes of Monroe County Water District's tariff that were in effect as of 12:01 a.m. Central Daylight Time, October 1, 2017, by **\$0.99 per 1,000 gallons** to reflect an increase in the wholesale rate of the City of Tompkinsville, Kentucky ("Tompkinsville");

WHEREAS, the increase was based upon the erroneous assumptions that the annual increased cost to Monroe County Water District from the increase in Tompkinsville's wholesale rate would be approximately **\$212,250.74** and that this increased cost would be spread over total annual sales of **215,310,250 gallons**;

WHEREAS, based upon the water purchases from Tompkinsville during the 12-month period ending July 31, 2017, the annual increased cost to Monroe County Water District will be approximately **\$213,841.49**;

WHEREAS, during the 12-month period ending July 31, 2017, Monroe County Water District sold approximately **227,609,403 gallons of water**;

WHEREAS, the use of these corrected assumptions results in a Purchased Water Adjustment ("PWA") factor of **\$0.94 per 1,000 gallons**; and

WHEREAS, the Resolution of September 11, 2017 should be amended, *nunc pro tunc*, to correct these errors and to ensure that the Monroe County Water District's customers are assessed rates that accurately reflect the increased cost of purchased water from Tompkinsville;

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF MONROE 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. Sections 2 and 3 of the Resolution of September 11, 2017 are amended, *nunc pro tunc*, to read as follows:

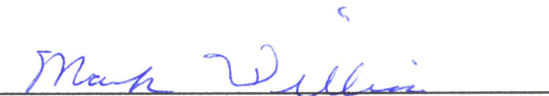
Section 2. The PWA factor is **\$0.94 per 1,000 gallons**.

Section 3. All tiers of all meter sizes of Monroe County Water District's tariff that are in effect as of 12:01 a.m. Central Daylight Time, October 1, 2017, shall be increased by **\$0.94 per 1,000 gallons** subject to any minor adjustment that may be made by the Kentucky Public Service Commission.

Section 3. All provisions of the Resolution of September 11, 2017 that are not in conflict with this resolution shall remain in effect.

Section 4. This Resolution shall be retroactive to September 11, 2017.

ADOPTED BY THE BOARD OF COMMISSIONERS OF MONROE COUNTY WATER DISTRICT at a meeting held on October 13, 2017 signed by the Chairman, and attested by the Secretary.


Chairman

ATTEST:



Secretary

EXHIBIT E

Exhibit E is an electronic Excel spreadsheet containing all calculations. It is attached to the electronically filed version of this Application.