

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

Name of Utility	Estill County Water District No. 1	
Date	August 20, 2019	
Address	76 Cedar Grove Road	
City, State, Zip	Irvine, Kentucky 40336	
Telephone Number	(606) 723-3795	
Email Address	a.miller@estillcountywater.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
Irvine Municipal Utilities	\$3.13 per 1,000 gallons	\$3.254 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. See TFS 2017-00143.

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	June 2017	through	May 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.

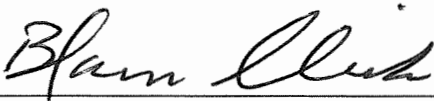
Supplier(s)	Gallons Purchased during 12 month period
Irvine Municipal Utilities	255,236,020
Jackson County Water Association	435,280
TOTAL PURCHASES	255,671,300
4. Total gallons sold for the 12 month period	159,396,870
5. Increased water cost	\$31,649.27
<p>The increased water cost is the cost difference 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</p>	
6. Purchased water adjustment factor	\$.20 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	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit	
9. Proposed effective date	20 August 2018
	
Signature of Utility Officer	
Blain Click, Chairman	
Title	

EXHIBIT A

Form for filing Rate schedules

For Estill County Water #1

Community, Town or City

P.S.C. No. _____

Sheet No. _____

Cancelling P.S.C. No. _____

Sheet No. _____

Irvine Municipal Utilities

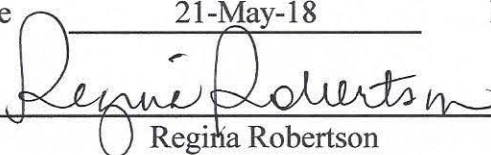
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

	Rate Per unit
The existing wholesale rate charged by Irvine Municipal Utilities (Seller) to Estill County Water and Sewer District (Buyer) per 1,000 gallon unit,	\$2.940
The Kentucky River User Assessment	
Tier I Fee Per 1000	\$0.022
Tier II Fee per 1000	\$0.220
Sub-total	\$0.242
Adjustment to recover the cost of the KRA Fee	\$0.108
Total for separate Line Item	\$0.350
<p>NOTE: <i>This page only adjusts the Kentucky River Authority Withdrawal Fee that is effective on July 1, 2018. This page does not revise Irvine Municipal Utilities usage rates that became effective on July 19, 2017.</i></p>	

Date of Issue 21-May-18

Date Effective 19-Jul-18

Issued by 
Regina Robertson

Title Chairperson

Issued by Authority of an Order of the Public Service Commission of Kentucky in

Case No. _____

Date _____

NOTICE

The Kentucky River Authority ("KRA") has notified Irvine Municipal Utilities that it is increasing the rate of the Tier II withdrawal fee effective July 1, 2018. In order to pass along the increased fee, Irvine Municipal Utilities plans to file with the Public Service Commission, no later than May 21, 2018, a proposed rate schedule, to be effective July 19, 2018, that will increase the KRA Fee charged to Estill Count Water District #1:

<u>Current Rate</u>	<u>Proposed Rate</u>	<u>\$ Change</u>	<u>% Change</u>
\$0.19 per 1000 gallons	\$0.35 per 1000 gallons	\$0.16 per 1000 gallons	84.03% Increase

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 proposed rates.

This filing may be examined at the offices of Irvine Municipal Utilities located at 238 Broadway, Irvine Kentucky.

This 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 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 KY 40602; or through its website at <http://psc.ky.gov>.

The rates contained in this notice are the rates proposed by Irvine Municipal Utilities, but the Public Service Commission may order rates that differ from the proposed rates.

Intervention 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 within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filing.

Form for filing Rate schedules

For Estill County Water #1

Community, Town or City

P.S.C. No. 1

Original Sheet No. 1

Cancelling P.S.C. No. _____

Sheet No. _____

Irvine Municipal Utilities

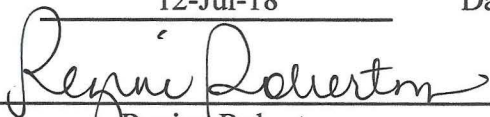
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

	Rate Per unit
The existing wholesale rate charged by Irvine Municipal Utilities (Seller) to Estill County Water and Sewer District (Buyer) per 1,000 gallon unit,	\$2.940
The Kentucky River User Assessment	
Tier I Fee Per 1000	\$0.022
Tier II Fee per 1000	\$0.220 (I)
Sub-total	\$0.242 (I)
Adjustment to recover the cost of the KRA Fee	\$0.072 (I)
Total for separate Line Item	\$0.314 (I)

Date of Issue 12-Jul-18

Date Effective 20-Aug-18

Issued by 
Regina Robertson

Title Chairperson

Issued by Authority of an Order of the Public Service Commission of Kentucky in

Case No. _____

Date _____

EXHIBIT B

EXHIBIT B

CALCULATION OF PURCHASED WATER ADJUSTMENT FACTOR

Month	Total Purchases (Gallons)	Jackson County Water Assn Purchases (Gallons)	Irvine Purchases (Gallons)	Water Sales (Gallons)
Jun-17	24,476,500	38,500	24,438,000	16,506,340
Jul-17	22,069,100	47,100	22,022,000	15,779,370
Aug-17	22,702,600	38,600	22,664,000	13,505,000
Sep-17	17,368,500	36,500	17,332,000	13,874,430
Oct-17	21,222,100	34,080	21,188,020	12,571,110
Nov-17	20,039,515	34,515	20,005,000	13,526,940
Dec-17	20,416,285	30,285	20,386,000	12,403,270
Jan-18	23,771,700	64,700	23,707,000	13,494,170
Feb-18	22,978,900	25,900	22,953,000	13,740,510
Mar-18	17,994,900	25,900	17,969,000	11,214,400
Apr-18	19,941,100	27,100	19,914,000	11,493,750
May-18	22,690,100	32,100	22,658,000	11,287,580
6/17-5/18	255,671,300	435,280	255,236,020	159,396,870

Increase Water Cost = 255,236,020 gallons x \$0.124 per 1,000 gallons
= \$31,649.27

Adjustment Factor = Increased Water Cost ÷ Total Water Sales
= \$31,649.27 ÷ 159,393,870 gallons
= \$0.19856 per 1,000 gallons (Rounded: \$0.20)

EXHIBIT C

EXHIBIT C

CURRENT AND PROPOSED RATES

	Present Rate	Proposed Rate	Change (\$)	Change (%)
5/8 x 3/4 Meter				
First 2,000 Gallons	\$ 21.18 Minimum Bill	\$ 21.58 Minimum Bill	\$0.40	1.88
Next 3,000 Gallons	10.33 Per 1,000 Gallons	10.53 Per 1,000 Gallons	\$0.20	1.94
Next 5,000 Gallons	10.11 Per 1,000 Gallons	10.31 Per 1,000 Gallons	\$0.20	1.98
Over 10,000 Gallons	8.00 Per 1,000 Gallons	8.20 Per 1,000 Gallons	\$0.20	2.50
1 Inch Meter				
First 5,000 Gallons	\$ 52.18 Minimum Bill	\$ 53.18 Minimum Bill	\$1.00	1.92
Next 5,000 Gallons	10.11 Per 1,000 Gallons	10.31 Per 1,000 Gallons	\$0.20	1.98
Over 10,000 Gallons	8.00 Per 1,000 Gallons	8.20 Per 1,000 Gallons	\$0.20	2.50
2 Inch Meter				
First 20,000 Gallons	\$ 150.75 Minimum Bill	\$ 154.75 Minimum Bill	\$4.00	2.65
Over 20,000 Gallons	8.00 Per 1,000 Gallons	8.20 Per 1,000 Gallons	\$0.20	2.50
Bulk Loading Station				
	\$ 7.09 Per 1,000 Gallons	\$ 7.50 Per 1,000 Gallons	\$0.41	5.78

EXHIBIT D

2018-5

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
ESTILL COUNTY WATER DISTRICT NO. 1 ADJUSTING WATER
RATES AND CHARGES TO OFFSET IRVINE MUNICIPAL
UTILITIES' WHOLESALE RATE INCREASE**

WHEREAS, the Irvine Municipal Utilities ("Irvine") is Estill County Water District No. 1's primary wholesale water supplier;

WHEREAS, on May 21, 2018, Irvine filed with the Kentucky Public Service Commission notice of an increase in its wholesale water rate from \$3.13 per 1,000 gallons to \$3.29 per 1,000 gallons effective July 19, 2018;

WHEREAS, Irvine subsequently revised its proposed increase and filed with the Kentucky Public Service Commission an amended notice in which it proposed to increase in its wholesale water rate from \$3.13 per 1,000 gallons to \$3.254 per 1,000 gallons effective August 20, 2018;

WHEREAS, based upon the water purchases from Irvine during the previous 12 months, the annual increased cost to Estill County Water District No. 1 will be approximately **\$31,649.27**;

WHEREAS, prudent financial management dictates that Estill County Water District No. 1 take immediate action to adjust its retail rates commensurate with Irvine's wholesale rate increase; and

WHEREAS, KRS 278.015 and 807 KAR 5:068 provide the legal mechanism for Estill County Water District No. 1 to increase its water rates commensurate with Irvine's wholesale rate increase via a Purchased Water Adjustment ("PWA");

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF ESTILL COUNTY WATER DISTRICT NO. 1 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 **\$0.20** per 1,000 gallons;

Section 3. All tiers of all meter sizes of Estill County Water District No. 1's existing tariff shall be increased by \$0.20 per 1,000 gallons, effective August 20, 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 Estill County Water District No. 1'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 August 20, 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 Estill County Water District No. 1'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 ESTILL COUNTY WATER DISTRICT NO. 1 at a meeting held on July 26, 2018 signed by the Chairman, and attested by the Secretary.



Chairman

ATTEST:



Secretary

APPENDIX A
APPENDIX TO A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
ESTILL COUNTY WATER DISTRICT NO. 1
DATED JULY 26, 2018

RATES FOR WATER SERVICE PROVIDED BY ESTILL COUNTY WATER
DISTRICT NO. 1 ON AND AFTER AUGUST 20, 2018

5/8-Inch Meter

First	2,000 gallons	\$ 21.58 Minimum bill
Next	3,000 gallons	\$ 10.53 per 1,000 gallons
Next	5,000 gallons	\$ 10.31 per 1,000 gallons
All over	10,000 gallons	\$ 8.20 per 1,000 gallons

1-Inch Meter

First	5,000 gallons	\$ 53.18 Minimum bill
Next	5,000 gallons	\$ 10.31 per 1,000 gallons
All over	10,000 gallons	\$ 8.20 per 1,000 gallons

2-Inch Meter

First	10,000 gallons	\$154.75 Minimum bill
All over	10,000 gallons	\$ 8.20 per 1,000 gallons

Bulk Loading Station

\$ 7.50 per 1,000 gallons

A \$4.81 per month surcharge is added to the minimum bill for all Cobhill customers.