

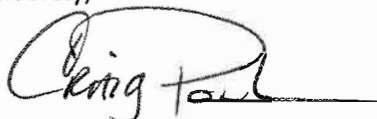
October 14, 2019

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

Ms. Pinson:

Enclosed is a completed Purchased Water Adjustment form. Also, enclosed are exhibits A, B, C, D, and E. Please contact the office if anything else is needed. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Porter", with a horizontal line extending to the right.

Craig Porter, Superintendent

Enclosures

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

Name of Utility	Muhlenberg County Water District	
Date	10/10/19	
Address	301 Dean Road	
City, State, Zip	Greenville, KY	42345
Telephone Number	270 338 1300	
Email Address	district1@muhlenbergwater.comcastbiz.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
Central City	\$2.63	\$3.31
Todd County Water District	\$5.87	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

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	October 2018	through	September 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
Central City	486,595,100
Todd County Water District	700,600
TOTAL PURCHASES	487,295,700
4. Total gallons sold for the 12 month period	374,628,900
5. Increased water cost	\$330,885
<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	\$.89
<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	October 31, 2019
	
Signature of Utility Officer	
	
Title	

Exhibit A

CUSTOMER NOTICE

Due to an increase from one of its supplier, Central City, Muhlenberg County Water District received approval from the Public Service Commission to adjust its rates effective October 31, 2019.

<u>Current Rates</u>			<u>Proposed Rates</u>				
<u>Minimum Bills Based on Meter Size</u>			<u>Minimum Bills Based on Meter Size</u>				
Meter Size	Gals. Incl'd. in Minimum	Minimum Monthly Bill	Meter Size	Gals. Incl'd. in Minimum	Minimum Monthly Bill	Dollar Increase	Percent Increase
5/8x3/4 inch	2,000	\$ 25.31	5/8x3/4 inch	2,000	\$ 27.09	\$ 1.78	7.03
1 inch	5,000	51.83	1 inch	5,000	56.28	4.45	8.59
1 1/2 inch	11,000	104.18	1 1/2 inch	11,000	113.97	9.79	9.40
2 inch	16,000	145.06	2 inch	16,000	159.30	14.24	9.82
3 inch	26,000	222.91	3 inch	26,000	246.05	23.14	10.38
4 inch	36,000	298.19	4 inch	36,000	330.23	32.04	10.74
<u>Rates for Water Usage in Addition to Minimum</u>			<u>Rates for Water Usage in Addition to Minimum</u>				
No. of Gallons per Month		Charge per 1,000 gals.	No. of Gallons per Month		Charge per 1,000 gals.		
First 2,000 Gallons (lump sum)	\$	25.31	First 2,000 Gallons (lump sum)	\$	27.09	1.78	7.03
Next 8,000 Gallons		8.84	Next 8,000 Gallons		9.73	0.89	10.07
Next 10,000 Gallons		8.18	Next 10,000 Gallons		9.07	0.89	10.88
Next 30,000 Gallons		7.53	Next 30,000 Gallons		8.42	0.89	11.82
Over 50,000 Gallons		6.87	Over 50,000 Gallons		7.76	0.89	12.95
<u>WHOLESALE CUSTOMERS</u>			<u>WHOLESALE CUSTOMERS</u>				
All Customers	\$	5.74	All Customers	\$	6.63	0.89	15.51

The monthly bill for an average customer using 5,000 gallons per month will increase from \$51.83 to \$56.28 this is an increase of 8.59%.

Muhlenberg County Water District has available for inspection at its office the application which it submitted to the Public Service Commission. A person may examine this application at Muhlenberg County Water District's office located at 301 Dean Road, Greenville, KY 42345. You may contact the office at 270-338-1300.

A 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>.

Exhibit B

	New Rate	Base Rate
Central City		
Purchase in gallons	486,595,100	486,595,100
Volumetric Rate	3.31	2.63
Totals	\$ 1,610,630	\$ 1,279,745
Increased Water Cost	\$ 330,885	
Todd County Water District		
Purchase in gallons	700,600	700,600
Volumetric Rate	no change	no change
Increased Water Cost	\$ 330,885	
Divided by gals. sold/1,000	374,628.9	
Purchased Water Adj. Factor	\$ 0.883	

or \$.89 per 1,000 Gallons

Exhibit C

Current RatesMinimum Bills Based on Meter Size**Proposed Rates**Minimum Bills Based on Meter Size

Meter Size	Gals. Incl'd. in Minimum	Minimum Monthly Bill	Meter Size	Gals. Incl'd. in Minimum	Minimum Monthly Bill
5/8x3/4 inch	2,000	\$ 25.31	5/8x3/4 inch	2,000	\$ 27.09
1 inch	5,000	51.83	1 inch	5,000	56.28
1 1/2 inch	11,000	104.18	1 1/2 inch	11,000	113.97
2 inch	16,000	145.06	2 inch	16,000	159.30
3 inch	26,000	222.91	3 inch	26,000	246.05
4 inch	36,000	298.19	4 inch	36,000	330.23
<u>Rates for Water Usage in Addition to Minimum</u>			<u>Rates for Water Usage in Addition to Minimum</u>		
No. of Gallons per Month		Charge per 1,000 gals.	No. of Gallons per Month		Charge per 1,000 gals.
First 2,000 Gallons (lump sum)	\$	25.31	First 2,000 Gallons (lump sum)	\$	27.09
Next 8,000 Gallons		8.84	Next 8,000 Gallons		9.73
Next 10,000 Gallons		8.18	Next 10,000 Gallons		9.07
Next 30,000 Gallons		7.53	Next 30,000 Gallons		8.42
Over 50,000 Gallons		6.87	Over 50,000 Gallons		7.76
<u>WHOLESALE CUSTOMERS</u>			<u>WHOLESALE CUSTOMERS</u>		
All Customers	\$	5.74	All Customers	\$	6.63

Exhibit D

RESOLUTION NO. 2019-09-01

**A RESOLUTION OF MUHLENBERG COUNTY
WATER DISTRICT ADJUSTING ITS WATER RATES
TO OFFSET THE CENTRAL CITY MUNICIPAL
WATER AND SEWER SYSTEM'S WHOLESALE
RATE INCREASE**

WHEREAS, the Central City Municipal and Sewer System (“Central City”) supplies potable water to Muhlenberg County Water District (“District”) on a wholesale basis;

WHEREAS, on June 24, 2019, Central City filed an application with the Kentucky Public Service Commission (“PSC”) seeking to increase the wholesale water rate that Central City charges the District from \$2.63 to \$3.31 per 1,000 gallons (See PSC Case No. 2019-00260);

WHEREAS, it is anticipated that the PSC will soon issue an Order approving Central City’s proposed wholesale rate of \$3.31, and that the new wholesale rate will become effective on or about October 31, 2019.

WHEREAS, based upon the water purchases from Central City during the previous 12 months, the estimated annual increased cost to the District will be \$330,885.

WHEREAS, prudent financial management dictates that the District take immediate action to adjust its retail rates commensurate with Central City's wholesale rate increase; and

WHEREAS, KRS 278.015 and 807 KAR 5:068 provide the legal mechanism for the District to increase its water rates commensurate with Central City's wholesale rate increase via a Purchased Water Adjustment ("PWA");

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF MUHLENBERG COUNTY WATER DISTRICT DOES HEREBY RESOLVE 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 \$.89 per 1,000 gallons;

Section 3. All tiers of water usage and the wholesale water rate set forth in the District's existing tariff shall be increased by \$.89 per 1,000 gallons, subject to any minor adjustment that may be made by the PSC.

Section 4. The monthly water rates to be charged to and collected from the customers and users of the water system of the District shall be as set forth in **Exhibit E**, which is attached hereto and is incorporated herein by reference as a

part of this Resolution. The rates set forth in **Exhibit E** are subject to any minor adjustment that may be made by the PSC. These monthly rates shall be in effect for all water service rendered on and after the effective date of Central City's wholesale rate increase as determined by the PSC in Case No. 2019-00260.

Section 5. The Chairman and the Superintendent are hereby authorized and directed to execute and file the PWA Application, Tariff Sheet, and all other documents that may be required by the PSC.

Section 6. The Chairman, Superintendent, and all appropriate District Staff 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.

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ADOPTED BY THE BOARD OF COMMISSIONERS OF
MUHLENBERG COUNTY WATER DISTRICT at a meeting held on
September 23, 2019, signed by the Chairman, and attested by the Secretary.

ATTEST:


BOBBY MAYHUGH, CHAIRMAN


MARK CARVER, SECRETARY

CERTIFICATION

I, Mark Carver, Secretary of Muhlenberg County Water District (the
"District"), do hereby certify that the foregoing is a true copy of a Resolution duly
adopted by the Board of Commissioners of the District at a meeting properly held
on September 23, 2019, signed by the Chairman of the Board of Commissioners,
attested by me as Secretary, and now in full force and effect.

WITNESS my hand this 23rd day of September, 2019.


MARK CARVER, SECRETARY

Exhibit E

FOR Muhlenberg County, Kentucky
Community, Town or City

P.S.C. KY. NO. 3

1st Revised SHEET NO. 3

Muhlenberg County Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2

Original SHEET NO. _____

RATES AND CHARGES

MONTHLY RATES:

5/8-Inch x 3/4-Inch Meter:

First	2,000 gallons	\$ 27.09 (Minimum Bill)
Next	8,000 gallons	9.73 per 1,000 gallons
Next	10,000 gallons	9.07 per 1,000 gallons
Next	30,000 gallons	8.42 per 1,000 gallons
All Over	50,000 gallons	7.76 per 1,000 gallons

1-Inch Meter:

First	5,000 gallons	\$ 56.28 (Minimum Bill)
Next	5,000 gallons	9.73 per 1,000 gallons
Next	10,000 gallons	9.07 per 1,000 gallons
Next	30,000 gallons	8.42 per 1,000 gallons
All Over	50,000 gallons	

1 1/2-Inch Meter:

First	11,000 gallons	\$113.97 (Minimum Bill)
Next	9,000 gallons	9.07 per 1,000 gallons
Next	30,000 gallons	8.42 per 1,000 gallons
All Over	50,000 gallons	7.76 per 1,000 gallons

2-Inch Meter:

First	16,000 gallons	\$ 159.30 (Minimum Bill)
Next	4,000 gallons	9.07 per 1,000 gallons
Next	30,000 gallons	8.42 per 1,000 gallons
All Over	50,000 gallons	7.76 per 1,000 gallons

DATE OF ISSUE September 23, 2019
Month / Date / Year

DATE EFFECTIVE October 31, 2019
Month / Date / Year

ISSUED BY /s/Bobby Mayhugh
(Signature of Officer)

TITLE Chairman

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

FOR Muhlenberg County, Kentucky
Community, Town or City

P.S.C. KY. NO. 3

1st Revised SHEET NO. 3

Muhlenberg County Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2

Original SHEET NO. _____

RATES AND CHARGES

3 Inch Meter:

First	26,000 gallons	\$ 246.05 (Minimum Bill)
Next	24,000 gallons	8.42 per 1,000 gallons
All Over	50,000 gallons	7.76 per 1,000 gallons

4 Inch Meter:

First	36,000 gallons	\$ 330.23 (Minimum Bill)
Next	14,000 gallons	8.42 per 1,000 gallons
All Over	50,000 gallons	7.76 per 1,000 gallons

Wholesale Rater \$ 6.63 per 1,000 gallons

DATE OF ISSUE September 23, 2019
Month / Date / Year

DATE EFFECTIVE October 31, 2019
Month / Date / Year

ISSUED BY /s/Bobby Mayhugh
(Signature of Officer)

TITLE Chairman

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