



**P. O. BOX 3157  
PIKEVILLE, KY 41502  
PHONE: (606) 631-9162  
FAX: (606) 631-3087  
TDD: (606) 631-3711**

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March 9, 2020

Mr. Kent Chandler  
Executive Director  
Public Service Commission  
P.O. Box 615  
211 Sower Lane  
Frankfort, KY 40602

RE: PSC CASE # 2020-00068

Dear Sir or Madam:

On behalf of the Mountain Water District, please find enclosed both the original notice of wholesale rate increase from the City of Pikeville and the revised notice of wholesale rate increase from the City of Pikeville. We apologize that we mistakenly left these two (2) notices out of the original filing. We only included the order from the PSC in the case regarding the City of Pikeville wholesale rates.

If you have any questions, please feel free to contact our office at 606-631-9162 or email [rsawyers@mtwater.org](mailto:rsawyers@mtwater.org)

Sincerely,

Kevin Lowe  
Office Manger  
Mountain Water District

STURGILL  
TURNER

Sturgill, Turner, Barker & Moloney, PLLC  
333 West Vine Street, Suite 1500  
Lexington, KY 40507  
p: 859.255.8581 f: 859.231.0851  
www.sturgillturner.com

M. Todd Osterloh  
Member  
tosterloh@sturgillturner.com

February 20, 2019

Roy Sawyers, District Administrator  
Mountain Water District  
P. O. Box 3157  
Pikeville, KY 41502

VIA CERTIFIED MAIL & EMAIL  
[rsawyers@mtwater.org](mailto:rsawyers@mtwater.org)

RE: City of Pikeville Wholesale Water Rates

Dear Mr. Sawyers:

On behalf of the City of Pikeville, I am enclosing the attached documents related to the City of Pikeville's proposed rate increase for wholesale water service to Mountain Water District. You will find a customer notice and tariff sheet. Pikeville plans on filing these documents with the Public Service Commission on or about February 21, 2019.

Sincerely,  
STURGILL, TURNER, BARKER & MOLONEY, PLLC

  
M. Todd Osterloh

MTO/mlm  
Enclosures

cc: Daniel Stratton, District Attorney (via email: [dan@strattonlaw.net](mailto:dan@strattonlaw.net))  
Philip Elswick, City Manager (via email: [philip.elswick@pikevilleky.gov](mailto:philip.elswick@pikevilleky.gov))

FOR Service to PSC Regulated Utilities  
Community, Town or City

P.S.C. KY. NO. 1

4<sup>th</sup> Revised SHEET NO. 1

CANCELLING P.S.C. KY. NO.     

     SHEET NO.     

City of Pikeville  
(Name of Utility or City)

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CONTENTS

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RATES

Monthly Wholesale Water Rate

Mountain Water District:

First 28,000,000 gallons	\$64,400*	(I)
All over 28,000,000 gallons	\$2.30 per 1,000 gallons	(I)
Rate Case Expense Surcharge**	\$2,500 per month	(I)

\*\* Pikeville proposes a surcharge to recover all expenses it may incur to participate in and defend its proposed rates in any Public Service Commission proceeding that is initiated to investigate the reasonableness of those rates. Pikeville proposes to recover the total amount of expenses associated with the increase in rates over a 36-month period. If no proceeding is established, Pikeville will not seek to recover any amount for Rate Case Expense Surcharge.

Southern Water and Sewer District

All usage \$2.25 per 1,000 gallons

\* Minimum Bill for Mountain Water District: 28 million gallons at \$2.30 per 1,000 gallons.

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DATE OF ISSUE February 21, 2019  
Month / Date / Year

DATE EFFECTIVE April 5, 2019  
Month / Date / Year

ISSUED BY Philip Blawick

TITLE City Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. DATED

## NOTICE

Notice is hereby given that the City of Pikeville proposes to increase its rate for wholesale water service to Mountain Water District effective April 5, 2019. On or about February 21, 2019, documentation will be filed with the Kentucky Public Service Commission to increase rates as follows:

<u>Current Rate</u>	<u>\$ Change</u>	<u>% Change</u>
	<u>Ave. Month</u>	<u>Ave. Rate</u>
First 28,000,000 gal. = \$47,040		
All over 28,000,000 gal. = \$1.30 per 1,000 gallons		

### New Rate

All usage with 28,000,000 gallon minimum	\$2.30/1,000gal.	\$27,943.34*	45.96%
36-month Rate Case Expense Surcharge	\$3,200 per month	\$2,500**	N/A

\* Based on an average of 463,000,000 gallons per year

\*\* Pikeville proposes a surcharge to recover all expenses it may incur to participate in and defend its proposed rates in any Public Service Commission proceeding that is initiated to investigate the reasonableness of those rates. Pikeville proposes to recover the total amount of expenses associated with the increase in rates over a 36-month period. If no proceeding is established, Pikeville will not seek to recover any amount for Rate Case Expense Surcharge.

The proposed effective date is April 5, 2019. Water flowing through the meter(s) before the effective date will be charged at the current rate while water flowing through the meter(s) on and after the effective date will be charged at the proposed new rate.

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

Any person may examine this filing at the offices the Pikeville City Hall, City Clerk's Office, located at 243 Main Street in Pikeville, Kentucky; telephone (606) 437-5100.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday through Friday from 8:00am to 4:30pm or through the PSC website at <http://psc.ky.gov>.

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

(cont)

A timely written request for intervention that establishes grounds for the request may also be submitted to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602. If the PSC does not receive a written request for intervention within thirty (30) days of the date notice was initially provided, the PSC may take final action on the filing.



James A. Carter  
Mayor

**CITY OF PIKEVILLE**

243 Main Street  
Pikeville, Kentucky 41501  
(606) 437-5100  
Fax Number (606) 437-5106

Philip R. Elswick, P.E.  
City Manager

June 25, 2018

Mr. Roy Sawyer  
Mountain Water District  
P.O. Box 3157  
Pikeville, KY 41502

RE: Rate Increase

Dear Roy:

The purpose of this letter is to notify the Mountain Water District Board of Directors that the City of Pikeville will be increasing its wholesale rate at the next renewal of the Wholesale Water Purchase Contract.

Revised rates will be as follows:

\$2.52 per one thousand gallons of water for the first 28 million gallons per month

\$1.95 per one thousand gallons of water in excess of 28 million gallons per month

If you have any questions, you may contact Philip Elswick at (606) 437-5100 or via e-mail at [philip.elswick@pikevilleky.gov](mailto:philip.elswick@pikevilleky.gov), and we can meet with you to discuss the increase.

Sincerely,

James A. Carter  
Mayor

Sturgill, Turner, Barker & Moloney  
333 W. Vine St.-Ste. 1500  
Lexington, KY 40507



9314 8699 0430 0056 0162 26

RETURN RECEIPT (ELECTRONIC)



Roy Sawyers, District Administrator  
Mountain Water District  
P.O. Box 3157  
Pikeville, KY 41502

Reference Number: MTO-65902.0001