

April 29, 2020

Kent Chandler
Executive Director
Public Service Commission
PO Box 615 Frankfort, KY 40602

Mr. Chandler:

Enclosed is Nicholas County Water District's Purchased Water Adjustment Application. Nicholas County Water District has been informed by Western Fleming County Water District that it has received approval to raise the wholesale water rate see Case No. 2019-00456.

Sincerely,

A handwritten signature in cursive script that reads "Monica Pryor". The signature is written in black ink and is positioned above the printed name and title.

Monica Pryor
Manager

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

Name of Utility	Nicholas County Water District	
Date	April 28, 2020	
Address	1639 Old Paris Pike	
City, State, Zip	Carlisle	KY
Telephone Number	859-289-3157	
Email Address	ncwd@bellsouth.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
Western Fleming	1.38	2.14
City of Carlisle	See Exhibit F	No Change
Kentucky American	4.532	4.532
Buffalo Trail	2.68	2.68

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 2019	through	March 2020
	(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
Western Fleming	69,748,900
City of Carlisle	56,557,300
Kentucky American	232,051
Buffalo Trail	2,305,000
TOTAL PURCHASES	128,859,251
4. Total gallons sold for the 12 month period	102,125,000
5. Increased water cost	53,009
<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	.52
<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	June 1, 2020
	
Signature of Utility Officer	
Nicholas Co. Water District Chairman	
Title	

Exhibit A

Flemingsburg Gazette

March 11, 2020

NOTICE OF PROPOSED RATE CHANGE

In accordance with the requirements of the Kentucky Public Service Commission ("PSC") as set out in 807 KAR 5:069, Section 3, notice is hereby given to the customers of the Western Fleming County Water District ("District") of a change in water rates for users of the District's water system. The changes in water rates are required by the U.S. Department of Agriculture, acting through Rural Development ("RD") in connection with a loan by RD to the District in the principal amount of \$810,000 to be evidenced by the issuance by the District of its waterworks revenue bonds in such amount, which RD has agreed to purchase provided the District meets certain conditions of RD, including revising the water rates as set forth below:

Current Monthly Water Rates

	<u>Monthly Rate</u>
First 1,000 gallons	\$15.01 Minimum Bill
Next 6,000 gallons	\$8.74 Per 1,000 gallons
Next 3,000 gallons	\$7.16 Per 1,000 gallons
All Over 10,000 gallons	\$5.69 Per 1,000 gallons

Whole Sale Rate: \$1.63/1,000 Gallons

Proposed Monthly Water Rates

	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 1,000 gallons	\$18.63	\$3.62	24.12%
Next 6,000 gallons	\$10.28	\$1.54	17.62%
Next 3,000 gallons	\$8.46	\$1.30	18.16%
All Over 10,000 gallons	\$6.77	\$1.08	18.98%

Whole Sale Rate: \$2.14/1,000 Gallons

Customer Class	Average Monthly Usage Per Customer (Gallons)	Average Monthly Bill (Present Rates)	Average Monthly Bill (Proposed Rates)	Increase in Average Monthly Bill (\$)	Increase in Average Monthly Bill (%)
5/8" x 3/4" Meter	4,319	\$44.02	\$52.75	\$8.73	19.83%
Whole Sale	8,394,200	\$13,682.55	\$17,963.59	\$4,281.04	31.29%

The proposed monthly water rates shall be effective for water sold after the date of the final approving Order of the PSC, which Order is expected to be issued no later than 30 days of the filing of the Application. The Application for approval of the rate change has been filed with the PSC and may be examined during normal business hours at the following locations: (i) District's Office, 1500 Ewing Road, Ewing, KY 41036; (ii) PSC, 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., E.T.; and (iii) via the PSC website at <http://psc.ky.gov>. Comments regarding the Application may be submitted to the PSC via its website or by mail to PSC, P.O. Box 615, Frankfort, Kentucky 40602.

The proposed rates are required under the terms of an agreement between the District and RD and KRS 278.023 does not grant the PSD any discretionary authority to modify or reject any portion of the agreement between the District and RD, or to defer the issuance of all necessary orders to implement the terms of the agreement. The RD loan proceeds will be used to finance the costs of the installation of approximately 35,000 linear feet of 10-inch water main and approximately 10,000 linear feet of 8-inch water line plus all necessary appurtenances along KY 165 and KY 32.

Signed: Vernon Barton, Chairman, Western Fleming County Water District

Published in the Flemingsburg Gazette 03.11.20

Affidavit of Publication

I, Petrea Allison, hereby certify that I am
Graphic Designer of the Flemingsburg Gazette. I certify
that the attached clipping of the advertisement is a true copy of
said advertisement in the said Newspaper on
March 11, 2020.

In Testimony whereof, witness my signature this 11 day
of March 2020.

The Newspaper Office

BY Petrea Allison

Subscribed and sworn to before me this 11 day of
March 2020

My Commission expires: May 2, 2023.

W. Melissa W. Fitchner

Notary Public

Exhibit B

	New Rate	Base Rate
Western Fleming Water District		
Purchase in gallons	69,748,900	69,748,900
Volumetric Rate	2.14	1.38
Totals	\$ 149,263	\$ 96,253
Increased Water Cost	\$ 53,009	
City of Carlisle		
Purchase in gallons	56,573,300	56,573,300
Volumetric Rate	no change	no change
Ky American		
Purchase in gallons	232,051	232,051
Volumetric Rate	no change	no change
Buffalo Trail		
Purchase in gallons	2,305,000	2,305,000
Volumetric Rate	no change	no change
Increased Water Cost	\$ 53,009	
Divided by gals. sold/1,000	102,125.0	
Purchased Water Adj. Factor	\$ 0.519	

or \$.52 per 1,000 Gallons

Exhibit C

Proposed RatesMinimum Bills Based on Meter Size

Meter Size	Gals. Incl'd. in Minimum	Minimum Monthly Bill
5/8x3/4 in	1,000	\$ 14.62
1 inch	1,000	\$ 28.52
1 1/2 inch	5,000	\$ 39.92
2 inch	10,000	\$ 62.67
3 inch	10,000	\$ 83.17
4 inch	25,000	\$ 124.17

Proposed RatesMinimum Bills Based on Meter Size

Meter Size	Gals. Incl'd. in Minimum	Minimum Monthly Bill
5/8x3/4 in	1,000	\$ 15.14
1 inch	1,000	\$ 30.08
1 inch	5,000	\$ 42.52
1 1/2 inch	10,000	\$ 67.87
3 inch	10,000	\$ 88.37
4 inch	25,000	\$ 137.17

Rates for Water Usage in Addition to Minimum

No. of Gallons per Month	Charge per 1,000 gals.
First 1,000 Gallons (lump sum)	\$ 14.62
Next 2,000 Gallons	\$ 6.95
Next 2,000 Gallons	\$ 5.70
Next 5,000 Gallons	\$ 4.55
Next 15,000 Gallons	\$ 4.10
Over 25, 000 Gallons	\$ 3.87

Rates for Water Usage in Addition to Minimum

No. of Gallons per Month	Charge per 1,000 gals.
First 1,000 Gallons (lump sum)	\$ 15.14
Next 2,000 Gallons	\$ 7.47
Next 2,000 Gallons	\$ 6.22
Next 5,000 Gallons	\$ 5.07
Over 15,000 Gallons	\$ 4.62
Over 25,000 Gallons	\$ 4.39

Exhibit D

RESOLUTION NO. 2020-04-28

RESOLUTION OF NICHOLAS COUNTY WATER DISTRICT APPROVING THE WATER PURCHASE AGREEMENT BETWEEN WESTERN FLEMING WATER DISTRICT AS SELLER, AND NICHOLAS COUNTY WATER DISTRICT, AS PURCHASER, AND AUTHORIZING THE CHAIRMAN TO EXECUTE SAID AGREEMENT

WHEREAS, the Nicholas County Water District has been purchasing potable water from Western Fleming Water District pursuant to the provisions of a Water Purchase Contract dated September 14, 2000 (the “Existing Contract”);

WHEREAS, the Existing Contract has been amended or modified on numerous occasions; and

WHEREAS, the Parties wish to supersede the Existing Contract, and all amendments or modifications thereto, with a new Water Purchase Agreement.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF NICHOLAS 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 Water Purchase Agreement (the “Agreement”), in the form submitted to the Board of Commissioners, is hereby approved and the Chairman of Nicholas County Water District is hereby authorized and directed to execute the Agreement for and on behalf of Nicholas County Water District.

Section 3. The Chairman is hereby authorized and directed to take any and all actions and to execute and deliver all documents as may be reasonably necessary to obtain approval of the Agreement by the Kentucky Public Service Commission and to implement the provisions of the Agreement.

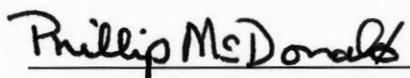
Section 4. This Resolution shall take effect upon its adoption.

ADOPTED BY THE BOARD OF COMMISSIONERS OF NICHOLAS COUNTY WATER DISTRICT at a meeting held on April 28, 2020, signed by the Chairman, and attested by the Secretary.

NICHOLAS COUNTY WATER DISTRICT

BY: 
Si Cleaver III, Chairman

ATTEST:


Phillip McDonald, Secretary

CERTIFICATION

I, Phillip McDonald, Secretary of Nicholas County Water District do hereby certify that I have the care, custody and control of the official records of said Water District; that the above and foregoing Resolution is a true and correct copy of the Resolution which was adopted by the Board of Commissioners of Nicholas County Water District on April 28, 2020 at a regular meeting; that said Resolution has been duly recorded in the minute book of Nicholas County Water District; and that said Resolution is now in full force and effect.

This 28th day of April, 2020.

NICHOLAS COUNTY WATER DISTRICT

BY: Phillip McDonald
Phillip McDonald, Secretary

Exhibit E

CUSTOMER NOTICE

Due to an increase from one of its suppliers, Nicholas County Water District received approval from the Public Service Commission to adjust its rates effective June 1, 2020.

<u>Proposed Rates</u> <u>Minimum Bills Based on Meter Size</u>			<u>Proposed Rates</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	1,000	\$ 14.62	5/8x3/4 inch	1,000	\$ 15.14	\$ 0.52	3.56
1 inch	1,000	\$ 28.52	1 inch	1,000	\$ 30.08	\$ 1.56	5.47
1 1/2 inch	5,000	\$ 39.92	1 inch	5,000	\$ 42.52	\$ 2.60	6.51
2 inch	10,000	\$ 62.67	1 1/2 inch	10,000	\$ 67.87	\$ 5.20	8.30
3 inch	10,000	\$ 83.17	3 inch	10,000	\$ 88.37	\$ 5.20	6.25
4 inch	25,000	\$ 124.17	4 inch	25,000	\$ 137.17	\$ 13.00	10.47
<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 1,000 Gallons (lump sum)	\$ 14.62		First 1,000 Gallons (lump sum)	\$ 15.14	\$ 0.52	3.56	
Next 2,000 Gallons	\$ 6.95		Next 2,000 Gallons	\$ 7.47	\$ 0.52	7.48	
Next 2,000 Gallons	\$ 5.70		Next 2,000 Gallons	\$ 6.22	\$ 0.52	9.12	
Next 5,000 Gallons	\$ 4.55		Next 5,000 Gallons	\$ 5.07	\$ 0.52	11.43	
Next 15,000 Gallons	\$ 4.10		Over 15,000 Gallons	\$ 4.62	\$ 0.52	12.68	
Over 25,000 Gallons	\$ 3.87		Over 25,000 Gallons	\$ 4.39	\$ 0.52	13.44	

The monthly bill for an average customer using 5,000 gallons per month will increase from \$39.92 to \$42.52 this is an increase of 6.51%.

Nicholas 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 Nicholas County Water District's office located at 1639 Old Paris Road, Carlisle, KY 40311. You may contact the office at 859-289-3157.

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 F

FOR Nicholas County WD & Sharpsburg WD
Area Served

P.S.C. KY. NO. _____ 1 _____

Original _____ SHEET NO. _____ 1 _____

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

City of Carlisle
(Name of Municipal Utility)

RATES & CHARGES

MONTHLY WHOLESALE WATER RATE:

Nicholas County Water District &
Sharpsburg Water District

First 1,000 gallons	\$11.21	Minimum Bill
Next 4,000 gallons	3.82	per 1,000 gallons
Next 5,000 gallons	2.95	per 1,000 gallons
Next 5,000 gallons	2.05	per 1,000 gallons
Next 10,000 gallons	1.90	per 1,000 gallons
Next 25,000 gallons	1.58	per 1,000 gallons
Over 50,000 gallons	1.52	per 1,000 gallons

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

DATE EFFECTIVE July 1, 2003
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE Mayor

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

[Signature]

RECEIVED
3/18/2019
PUBLIC SERVICE
COMMISSION
OF KENTUCKY