

**Beech Grove Water System, Inc.**

**445 State Route 56 N**

**Calhoun KY 42327**

**270 273-5738**

**[beechgrovewaters@bellsouth.net](mailto:beechgrovewaters@bellsouth.net)**

Executive Director  
Public Service Commission  
211 Sower Lane  
Frankfort, KY 40602

May 12, 2020

RE; Purchased Water Adjustment Increase  
Wholesale Provider: West Daviess County Water

Dear Executive Director:

West Daviess County water has mailed us written notice of new water rates increase will be implement for June 1, 2020 consumption. I have included the information for a Purchase Water Adjustment.

Should you need any additional information, please let me know.

Sincerely,

Sheila Murphy

**Beech Grove Water System  
Purchased Water Adjustment  
2020**

Cover Letter

Page 1 & 2 Purchased Water Adjustment Form

Exhibit A West Daviess Count Water letter for new water rate increase.

Exhibit B Current & Proposed rates

Exhibit C Calculation of rate increase

Exhibit D Water Board Meeting Minutes

Exhibit E Certification of Response

Exhibit F Water purchased & sold May 2019 thru April 2020

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

Name of Utility	Beech Grove Water System	
Date	May 07 2020	
Address	445 Highway 445 N	
City, State, Zip	Calhoun	KY 42327
Telephone Number	270 273-5738	
Email Address	beechgrovewaters@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
City of Henderson	2.7470	2.7470
West Daviess Co Water	3.19	3.84

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	April 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
City of Henderson	81,653,447
West Daviess County Water	3,435,900
<b>TOTAL PURCHASES</b>	85,085,151
4. Total gallons sold for the 12-month period	68,231,920
5. Increased water cost	2,233.33
<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	.04
<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 B	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit C	
9. Proposed effective date	June 1, 2020
	
Signature of Utility Officer	
President	
Title	

# WEST DAVIESS COUNTY WATER DISTRICT

3400 Bittel Rd.  
Owensboro, KY 42301  
Phone: (270) 685-5594  
Fax: (270) 683-6324  
April 22, 2020

**Exhibit A**

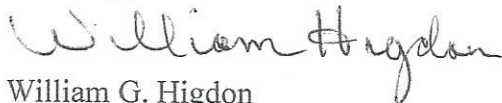
TO : All Wholesale Customers

RE : Purchased Water Rate Adjustment

This letter is to inform you that the West Daviess County Water District has filed with the Public Service Commission for a purchased water rate adjustment due to Owensboro Municipal Utilities (OMU) increasing our water rate we purchase from them. The proposed rate for your system will, if approved, increase from \$ 3.19 per 1,000 gallons to \$ 3.84 per 1,000 gallons effective June 1, 2020. We will send another letter later confirming whether the purchased rate adjustment was approved by the Public Service Commission.

If there are any questions concerning this matter, please contact our office.

Sincerely,



William G. Higdon  
Manager

NOTICE

Beech Grove Water System has filed with the Public Service Commission to pass through a rate increase it received from its wholesale water supplier, West Daviess County Water which began with June 2020 consumption. This results in a .04 cent per 1,000

Gallons increase effective June, 2020 that will be reflected on Beech Grove Water System customer bills due in July 2020.

<u>5/8" x 3/4" Meter</u>				<u>Existing</u>	<u>Proposed</u>	<u>\$ Change</u>	<u>%</u>
First	2,000	gallons	(Minimum Bill)	\$17.34	\$17.42	\$.08	0.05 %
Next	98,000	gallons	(per 1,000 gallons)	5.48	5.52	\$.04	0.07 %
Next	100,000	gallons	(per 1,000 gallons)	4.58	4.62	\$.04	0.07 %
Bulk Loading Station			(per 1,000 gallons)	2.41	2.45	\$.04	0.17 %

The monthly water bill for an average customer using 5,000 gallons a month will increase \$.20 from \$33.78 to 33.98 or 0.06 %.

**Exhibit C**

<u>SUPPLIER</u>	<u>NEW RATE</u> (per 1,000)		<u>OLD RATE</u> (per 1,000)		
Henderson	\$2.7470		\$2.7470		
Daviess	\$3.8400		\$3.1900		
TWELVE MONTH TEST PERIOD:		April 2019 trru April 2020			
<u>SUPPLIER</u>	<u>GALLONS PURCHASED DURING TEST PERIOD</u>				
Henderson	81,653,447				
Daviess	3,435,900				
TOTAL	85,089,347				
<u>SUPPLIER</u>	<u>COST AT NEW RATE</u>		<u>COST AT OLD RATE</u>		
Henderson	\$224,302.02		\$224,302.02		
Daviess	\$13,193.86		\$10,960.52		
TOTAL	\$237,495.87	-	\$235,262.54	=	<u>INCREASED WATER COST</u> \$2,233.33
TOTAL GALLONS SOLD FOR THE TEST PERIOD :					68,231,920
Increased Water Cost /( total gallons sold / 1,000) = Purchased Water Adjustment Factor					
\$2,233.33	/	68,231,920	/1000	=	0.032731528
				ROUNDED	0.04

**BEECH GROVE WATER SYSTEM**

**Meeting**

**May 12, 2020**

Present were President Nathan Ward, Greg Cheatham, Wally Murphy, Greg Dant & Michael Wahl and Sheila Murphy

President Nathan Ward declared that a quorum was present and called the meeting to order.

The minutes & financial report of the February meeting was reviewed. Motion was made by Greg C and seconded by Wally to approve the minutes & financial report as prepared. Motion carried unanimously.

**Old Business**

Greg Dant & Chad McMahon was elected another 3-year term on water board and officers will remain the same.

Nathan Ward – President  
Chad Mchanon – Vice President  
Greg Cheatham - Secretary - Treasurer

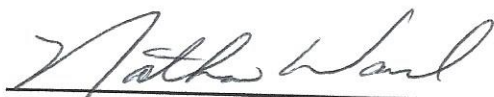
**New Business**

West Daviess County Water rates will increase from 3.19 to 3.84 per thousand gallons effective June 1, 2020

Greg Dant made a motion to accepted new water rates increase of .04 per 1,000 gallons: Greg Cheatham. 2<sup>nd</sup> motion and motion carried.

**ADJOURNMENT**

There being no further business to come before the water board, motion was made by Wally and 2<sup>nd</sup> by Greg Cheatham to adjourn the meeting. Motion carried unanimously.



Nathan Ward  
President



COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

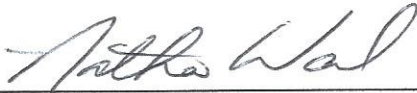
IN MATTER OF:

The Application Of  
Beech Grove Water System, Inc.  
Purchased Water Agreement

\*\* \*\* \*\* \*\* \*\*  
CERTIFICATION OF RESPONSE TO COMMISSION  
STAFF'S FIRST INFORMATION REQUEST  
\*\* \*\* \*\* \*\* \*\*

This is to certify that I have supervised the preparation of the Applicant's Response to the Commission Staffs First Information Request. The responses submitted on behalf of Beech Grove Water System are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Date: May 12, 2020



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Nathan Ward  
President

Prepared By

Sheila Murphy

