



6215 N. L&N TURNPIKE | BUFFALO, KY 42716 | 270-325-3242
lcwd1@scrtc.com | www.laruecountywater.com

June 17, 2020

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

Mr. Chandler:

Enclosed is Larue County Water District No. 1's Purchased Water Adjustment Application. Larue County Water District is scheduled to have an increase from the City of Bardstown effective July 1, 2020 see TFS2019-00623.

Sincerely,

Tim Bartley
General Manager

BOARD OF DIRECTORS
CHAIRMAN: JOHN M. DETRE
SECRETARY/TREASURER: PAT EASTRIDGE
COMMISSIONER: BOBBY GARRISON

MANAGER
TIM BARTLEY

**Equal Opportunity Provider*

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

Name of Utility	Larue County Water District	
Date	June 8, 2020	
Address	6215 North L&N Turnpike	
City, State, Zip	Buffalo, KY	42716
Telephone Number	270-325-3242	
Email Address	Lcwd1@scrtc.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
Campbellsville	2.35	2.35
Green Taylor WD	2.89	2.89
City of Bardstown	2.45	2.49
City of New Haven	2.853	2.853
Green River Valley	2.59	2.59
City of Hodgenville	2.10	2.10

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	May 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.

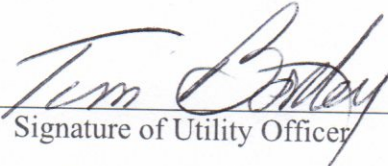
Supplier(s)	Gallons Purchased during 12 month period
Campbellsville	13,117,700
Green Taylor WD	3,361,000
City of Bardstown	26,923,300
City of New Haven	11,060,400
Green River Valley	95,690,500
City of Hodgenville	41,153,000
TOTAL PURCHASES	191,305,600
4. Total gallons sold for the 12 month period	
	166,936,618
5. Increased water cost	
	1,076.72
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	
6. Purchased water adjustment factor	
	.01
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold. 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.	
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	
	July 1, 2020
 Signature of Utility Officer	
Manager Title	

Exhibit A

THE CITY OF
BARDSTOWN
BOURBON CAPITAL OF THE WORLD™



November 13, 2019

Attn: Mr. Tim Bartley
General Manager
Larue County Water District
6215 N. L&N Turnpike
Buffalo, KY 42716

RE: BARDSTOWN WATER STEP RATE INCREASE – NOTICE & TARIFF SHEET

Mr. Bartley,

Please find the attached Notice of the proposed five step rate schedule. Also included is a copy of the Tariff Sheet filed with the Public Service Commission. Bardstown appreciates your cooperation and business.

If you have any questions or comments, please feel free to contact me.

Sincerely,

Jessica Filiatreau, PE
City Civil Engineer

Enclosure

NOTICE:

The City of Bardstown hereby provides notice that it filed with the Public Service Commission on November 11, 2019 to increase its rates to the North Nelson and Larue County No.1 Water Districts. In addition the proposed rate schedule will also apply to the cities of Bloomfield and New Haven.

The Current Rate is \$2.00 per thousand gallons and was last raised in 2013. New rates are proposed to be implemented in five incremental steps, the first become effective for water service rendered on and after January 1, 2020 with a new rate per 1,000 gallons to become effective each July 1st as forth below:

<u>Effective Date</u>	<u>New Rate</u>	<u>Previous Rate</u>	<u>\$ Difference</u>	<u>% Difference</u>
January 1 st 2020	\$2.45	\$2.00	\$0.45	22.50%
July 1 st 2020	\$2.49	\$2.45	\$0.04	1.63%
July 1 st 2021	\$2.56	\$2.49	\$0.07	2.81%
July 1 st 2022	\$2.64	\$2.56	\$0.08	3.13%
July 1 st 2023	\$2.72	\$2.64	\$0.08	3.03%

Water flowing through the meter(s) before the effective date will be charged at the previous rate while water flowing through the meter(s) on and after the new effective date will be charged at the new rate(s).

This filing may be examined at the utility's office inside Bardstown City Hall located at 220 North Fifth Street, Bardstown, Kentucky; Monday – Friday from 8:00 am - 4:30 pm.

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 Public Service Commission's 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, Kentucky 40602; or through its website at <http://psc.ky.gov>.

While the proposed rates are the rates proposed by the City of Bardstown Water, the Public Service Commission may order rates that differ from these 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, Kentucky 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.

Exhibit B

**Larue County Water District
Purchase Water Adjustment Worksheet**

Month/Year	Purchased Water (gallons)					Water Sold (gallons)
	Campbellsville	Green Taylor	Bardstown	New Haven	Green River	
Totals	13,117,700	3,361,000	26,923,000	11,060,400	95,690,500	166,936,618
TWELVE MONTH PURCHASED WATER COST						
Gallons Purchased	Current Rate	Cost	New Rate		Cost	
13,117,700	\$ 2.35	\$ 30,826.60	\$ 2.35	\$	\$	30,826.60
3,361,000	\$ 2.89	\$ 9,713.29	\$ 2.89	\$	\$	9,713.29
26,923,000	\$ 2.45	\$ 65,961.35	\$ 2.49	\$	\$	67,038.27
11,060,400	\$ 2.33	\$ 25,770.73	\$ 2.33	\$	\$	25,770.73
95,690,500	\$ 2.59	\$ 247,838.40	\$ 2.59	\$	\$	247,838.40
41,153,000	\$ 2.10	\$ 86,421.30	\$ 2.10	\$	\$	86,421.30
		\$				467,608.58

Increased Cost \$ 1,076.92 PWA Factor \$ 0.006

WATER RATE ADJUSTMENT			
Rate Schedule	Current Rate	Increase	New Rate
First 1,000 gal	\$ 15.44	\$ 0.01	\$ 15.45
Next 4,000 gal	\$ 7.13	\$ 0.01	\$ 7.14
Next 5,000 gal	\$ 6.37	\$ 0.01	\$ 6.38
All Over 10,000 gal	\$ 5.20	\$ 0.01	\$ 5.21

BILL CALCULATION			
Usage	Current Rate	Increase	New Rate
5,000 gallons	\$ 43.96	\$ 0.05	\$ 44.01

Exhibit C

Current 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	Percent Increase
5/8x3/4 inch	1,000	\$ 15.44	5/8x3/4 inch	1,000	\$ 15.45	0.06
3/4 inch	3,000	\$ 29.69	3/4 inch	3,000	\$ 29.72	0.10
1 inch	5,000	\$ 43.95	1 inch	5,000	\$ 44.00	0.11
1 1/2 inch	10,000	75.78	1 1/2 inch	10,000	75.88	0.13
3 inch	20,000	127.76	3 inch	20,000	127.96	0.16

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	Dollar Increase	Percent Increase
5/8x3/4 inch	1,000	\$ 15.44	5/8x3/4 inch	1,000	\$ 15.45	\$ 0.01	0.06
3/4 inch	3,000	\$ 29.69	3/4 inch	3,000	\$ 29.72	\$ 0.03	0.10
1 inch	5,000	\$ 43.95	1 inch	5,000	\$ 44.00	\$ 0.05	0.11
1 1/2 inch	10,000	75.78	1 1/2 inch	10,000	75.88	\$ 0.10	0.13
3 inch	20,000	127.76	3 inch	20,000	127.96	\$ 0.20	0.16

Rates for Water Usage in Addition to Minimum

No. of Gallons per Month	Charge per 1,000 gals.
First 1,000 Gallons (lump sum)	\$ 15.44
Next 4,000 Gallons	7.13
Next 5,000 Gallons	6.37
Next 10,000 Gallons	5.20
Over 20,000 Gallons	5.20

Rates for Water Usage in Addition to Minimum

No. of Gallons per Month	Charge per 1,000 gals.
First 1,000 Gallons (lump sum)	\$ 15.45
Next 4,000 Gallons	7.14
Next 5,000 Gallons	6.38
Next 10,000 Gallons	5.21
Over 20,000 Gallons	5.21

Exhibit D

RESOLUTION NO. 2020-06-08

**A RESOLUTION OF LARUE COUNTY WATER DISTRICT NO.1
ADJUSTING ITS WATER RATES TO OFFSET THE CITY OF
BARDSTOWNS' WHOLESALE RATE INCREASE**

WHEREAS, the City of Bardstown supplies potable water to Larue County Water District No.1 on a wholesale basis'

WHEREAS, on November 11, 2019 the City of Bardstown filed a tariff with the Kentucky Public Service Commission ("PSC") seeking to increase the wholesale water rate that the City of Bardstown charges the Larue County Water District No.1 from \$2.45 to \$2.49 per 1,000 gallons effective July 1, 2020 (See TFS 2019-00623);

WHEREAS, based upon the water purchases from the City of Bardstown during the previous 12 months, the estimated annual increased cost to Larue County Water District No. 1 will be \$ **1,076.92**;

WHEREAS, prudent financial management dictates that Larue County Water District take action to adjust its retail rates commensurate with the City of Bardstown's wholesale rate increase; and

WHEREAS, KRS 278.015 and 807 KAR 5:068 provide the legal mechanism for Larue County Water District No. 1 to increase its water rates to

commensurate with the City of Bardstown's wholesale rate increase via a Purchased Water Adjustment ("PWA")

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF LARUE COUNTY WATER DISTRICT NO.1 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 **\$.01** per 1,000 gallons;

Section 3. All tiers of water usage and the wholesale water rate set forth in Larue County Water District No. 1's existing tariff shall be increased by **\$.01** 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 Larue County Water District No.1 shall be as set forth in **Exhibit B**, which is attached hereto and is incorporated herein by reference as a part of this Resolution. The rates set forth in **Exhibit B** 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 July 1, 2020 upon PSC approval.

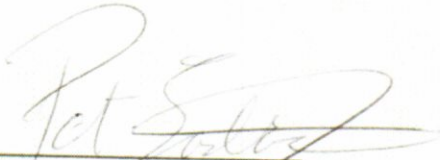
Section 5. The Chairman and the General Manager are hereby authorized and directed to execute and file the PWA Application, Tariff Sheet, and all other documents that may be required by the PSC.


Section 6. The Chairman, General Manager, and all appropriate Larue County Water District No. 1 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.

ADOPTED BY THE BOARD OF COMMISSIONERS OF LARUE COUNTY WATER DISTRICT NO.1 at a meeting held on June 8, 2020, signed by the Chairman, and attested by the Secretary.

ATTEST:


Secretary


Chairman

CERTIFICATION

This is to certify that I have supervised the preparation of the Larue County Water District No.1's Response to the Commission's Request for Information. The response submitted on behalf of the Larue County Water District is true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Date: June 8, 2020



Secretary

Exhibit E

CUSTOMER NOTICE

Due to an increase from one of its suppliers, Larue County Water District No.1 received approval from the Public Service Commission to adjust its rates effective July 1, 2020.

MONTHLY WATER RATES

<u>Meter Size</u>	<u>Minimum Bills Based on Meter Size</u>				
	<u>Gals. Incl'd.</u>	<u>Minimum Bills</u>		<u>Dollar</u>	<u>Percent</u>
	<u>in Minimum</u>	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>	<u>Increase</u>
5/8 x 3/4 inch	1,000	\$15.44	\$15.45	\$0.01	.06%
3/4 inch	3,000	29.69	29.72	0.03	.10%
1 inch	5,000	43.95	44.00	0.05	.11%
1 1/2 inch	10,000	75.78	75.88	0.10	.13%
2 inch	20,000	127.76	127.96	0.20	.16%

<u>No. of Gallons per Month:</u>	<u>Rates for Water Usage in Addition to Minimum</u>			
	<u>Charge per 1,000 Gals.</u>		<u>Dollar</u>	<u>Percent</u>
	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>	<u>Increase</u>
First 1,000 Gallons	\$15.44	\$15.45	\$0.01	.06%
Next 4,000 Gallons	7.13	7.14	0.01	.14%
Next 5,000 Gallons	6.37	6.38	0.01	.16%
Next 10,000 Gallons	5.20	5.21	0.01	.19%
Over 20,000 Gallons	5.20	5.21	0.01	.19%

The monthly bill for an average customer using 5,000 gallons per month will increase from \$43.96 to \$44.01 this is an increase of .11%.

Larue County Water District No. 1 has available for inspection at its office the application which it submitted to the Public Service Commission. A person may examine this application at Larue County Water District No.'s office located at 6215 North L&N Turnpike Road, Buffalo, KY 42716. You may contact the office at 270-325-3242.

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>.