



U.S. 60 Water District

PO Box 97
Bagdad, KY 40003
(502) 747-8942

April 20, 2021

Linda C. Bridwell, Executive Director
KY Public Service Commission
PO Box 615
Frankfort, KY 40602

RE: Formal Application to Increase Rates Pursuant to
Purchased Water Adjustment Regulation 807 KAR 5:068
PSC Case No: 2021-00179

Dear Ms. Bridwell:

The U.S. 60 Water District respectfully requests that the Commission allow for an adjustment to our rates in accordance with 807 KAR 5:068 Purchased Water Adjustment clause.

The District was recently notified by its supplier, the Shelbyville Municipal Water & Sewer Commission, that it would increase its wholesale rates by \$0.07 per 1000 gallons. This increase was effective on April 19, 2021. The result of this increase is \$7,776.24 in additional annual supply cost for the District. This translates into \$0.06 per 1000 gallons of water sold to our customers. Therefore, we propose to increase our rates by that amount.

The following supporting documentation is enclosed for your review:

Exhibit A – Purchase Water Rate Adjustment

Exhibit B – Copy Shelbyville Municipal Water & Sewer Commission's Notice of an Increase in Wholesale Rates

Exhibit C – Statement of Water Purchased

Exhibit D – Statement of Water Sold

Exhibit E – Notice to Customers

Exhibit F – Revised Tariff Sheet

Exhibit G – An executed copy of the Resolution of the Board of Commissioners formally authorizing the proposed rates.

The Notice to Customers will be published in accordance with Commission regulations and verification of its publication will be provided to the Commission.

Should you have any questions please contact Lee Mudd at (502) 839-1310, as he is handling this matter on behalf of the Company.

Sincerely,

Pat Hargadon, Chairman

PH/jlm

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

Name of Utility	U.S. 60 Water District	
Date	4/20/2021	
Address	P.O. Box 97	
City, State, Zip	Bagdad, Kentucky	40003
Telephone Number	(502) 747-8942	

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
Shelbyville Municipal Water & Sewer Commission	Rate per 1000 gallons: \$2.22	Rate per 1000 gallons: \$2.29
Frankfort Electric & Water Plant Board	Rate per 1000 gallons: \$2.55 KRA Withdraw Fee per 1000 gallons: \$0.29	No Change

1.b. A copy of the supplier's notice of the changed rates showing the effective date of the increases are attached as Exhibit B.

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 2020	through	March 2021
	(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
Shelbyville Municipal Water & Sewer Commission	111,089,100
Frankfort Electric & Water Plant Board	66,431,500
TOTAL PURCHASES	177,520,600

4. Total sales for the 12 month period	148,818,600
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5. Increased water cost	\$7,776.24
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The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.

6. Purchased water adjustment factor	\$0.06
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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. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.

7. Proposed effective date	May 1, 2021
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Signature of Utility Officer

Chairman
Title

Increased Water Cost Calculation:

Shelbyville Municipal Water & Sewer Commission

$$(111,089.10 \times \$2.29) = \$254,394.04$$

$$(111,089.10 \times \$2.22) = \$246,617.80$$

$$\text{Increased Water Cost} = \$7,776.24$$

Purchased Water Adjustment Factor Calculation:

$$\text{Increased Cost of Water} = \$7,776.24$$

$$\text{Total Gallons Sold} = 148,818,600$$

$$\begin{aligned} \$7,776.24 / 148,818.60 &= \$0.05225 \text{ per 1000 Gallons} \\ &= \$0.06 \text{ per 1000 Gallons} \end{aligned}$$

Shelbyville Municipal Water & Sewer Commission

P.O. Box 608

1059 Washington St.

Shelbyville, Ky. 40066

Phone: 502-633-2840 FAX: 502-633-1939

March 8, 2021

CERTIFIED MAIL

Mr. Pat Hargadon
U.S. 60 Water District of Shelby and Franklin Counties, Kentucky
P.O. Box 97
Bagdad, Ky. 40003

RE: Rate Increase

Dear Mr. Hargadon:

The Commission met on Monday February 15, 2021, and recommended a Rate Increase of approximately 3%, for water utilities to the Shelbyville City Council.

The Shelbyville City Council held its first reading on Thursday, March 4, 2021, and its second reading will be heard on March 18, 2021.

The rate increase for these Wholesale Purchasers will be effective for water used on and after April 19, 2021, for billing dated June 1, 2021

The Water Districts meters are normally read on the 19th of each month.

Your proposed rate increase is from \$2.22 to \$2.29/1,000 gal, or an increase of approximately 3% (3.15%). A copy of the PSC "Form for Filing Rate Schedules" will follow, and the formal "NOTICE" is enclosed as the PSC requires.

This information is being mailed to the PSC.

Sincerely,



Thomas G, Doyle
Manager

RATEINCREASELETTERSTOWTRDISTRANDPSC2021

NOTICE

The Shelbyville Municipal Water & Sewer Commission (SMW&SC) is providing notice that on February 15, 2021 a proposed increase in water rates was approved by the Commission, including wholesale water rates to Water Districts, and recommended these changes to the City Council which had their 1st reading on March 4, 2021, with the 2nd reading scheduled for March 18, 2021. The SMWSC is in process of filing this week with the Public Service Commission the wholesale rates it shall charge the North Shelby Water District, and the U.S.60 Water District. These **rates will be effective** for water service rendered on and after April 19, 2021. The proposed rates are as follows:

	<u>CURRENT RATE</u>	<u>PROPOSED RATE</u>	<u>\$ Change</u>	<u>% Change</u>
North Shelby Water District and the U.S. 60 Water District	\$2.22/1,000 gallons	\$2.29/1,000 gallons	\$0.07/ gallon	3.15% increase

Quantities over the respective Contract Limits shall be charged the PROPOSED Rate described above, plus: \$1.00 per 1,000 gal.

The Shelbyville City Council had the 1st hearing on March 4, 2021 and the 2nd hearing will be on March 18, 2021. Water flowing through the meter(s) before the effective date will be charged at the current rates while water is flowing through the meter(s) on and after the effective date (April 19, 2021) will be charged at the proposed rates.

This filing may be examined at the Offices of SMW&SC located at 1059 Washington St. in Shelbyville, KY.

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 PSC 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 KY 40602; or through its website at <http://psc.ky.gov>.

The Rates contained in this NOTICE are the rates proposed by the "SMW&SC", however the Public Service Commission may order rates that differ from the 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, KY 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.

RATEINCREASENOTICEFOR2021us.60andnorthshelby

**STATEMENT OF WATER PURCHASED
U.S. 60 WATER DISTRICT**

SHELBYVILLE MUNICIPAL WATER & SEWER COMMISSION

Month	Usage/Gallons	Total Cost
April 2020	0	\$0.00
May	0	\$0.00
June	0	\$0.00
July	100	\$0.22
August	15,074,000	\$36,038.50
September	14,749,000	\$34,991.78
October	14,902,000	\$35,484.44
November	15,155,000	\$36,299.10
December	13,123,000	\$29,756.06
January	12,434,000	\$27,603.48
February	12,210,000	\$27,106.20
March 2021	13,442,000	\$28,133.38
TOTAL	111,089,100	\$255,413.16

FRANKFORT ELECTRIC & WATER PLANT BOARD

Month	Usage/Gallons	Total Cost
April 2020	14,348,000	\$40,748.32
May	14,348,000	\$40,748.32
June	13,700,100	\$38,908.29
July	10,269,200	\$29,164.54
August	1,513,200	\$4,297.50
September	1,151,200	\$3,269.42
October	1,395,500	\$3,963.22
November	3,943,100	\$11,198.41
December	1,526,500	\$4,288.30
January	1,112,100	\$3,158.37
February	2,092,500	\$5,942.71
March 2021	1,032,100	\$2,931.17
TOTAL	66,431,500	\$188,618.57

**STATEMENT OF WATER SOLD
U.S. 60 WATER DISTRICT**

Month	Residential	Commercial	Other	Total Gallons Sold
April 2020	11,274,900	459,300	114,700	11,848,900
May	10,218,400	927,200	48,800	11,194,400
June	11,865,400	846,200	60,700	12,772,300
July	15,504,700	1,045,200	225,800	16,775,700
August	11,816,800	762,700	117,500	12,697,000
September	11,320,700	1,126,500	160,100	12,607,300
October	12,351,200	1,120,100	162,100	13,633,400
November	10,062,800	1,054,500	124,500	11,241,800
December	9,833,200	1,158,000	124,600	11,115,800
January	11,065,700	863,100	95,400	12,024,200
February	10,080,700	937,400	143,600	11,161,700
March 2021	10,771,400	798,300	176,400	11,746,100
TOTAL	136,165,900	11,098,500	1,554,200	148,818,600

LEGAL NOTICE REGARDING THE U.S. 60 WATER DISTRICT

Notice is hereby given that because of an increase in the cost of water purchased from the Shelbyville Municipal Water & Sewer Commission, the U.S. 60 Water District will increase its rates for services effective May 1, 2021. An application requesting the proposed rates was filed with the Kentucky Public Service Commission on April 21, 2021 to increase rates as follows:

	<u>Existing Rates</u>	<u>Proposed Rates</u>	<u>Increase (\$)</u>	<u>Increase (%)</u>
<u>5/8" x 3/4" Meters:</u>				
First 1,000 gallons	\$17.15 Minimum Bill	\$17.21 Minimum Bill	\$0.06	0.35%
Next 2,000 gallons	\$9.48 per 1,000 gallons	\$9.54 per 1,000 gallons	\$0.06	0.63%
Next 2,000 gallons	\$7.98 per 1,000 gallons	\$8.04 per 1,000 gallons	\$0.06	0.75%
Over 5,000 gallons	\$7.26 per 1,000 gallons	\$7.32 per 1,000 gallons	\$0.06	0.83%
<u>1" Meters:</u>				
First 5,000 gallons	\$52.07 Minimum Bill	\$52.37 Minimum Bill	\$0.30	0.58%
Over 5,000 gallons	\$7.26 per 1,000 gallons	\$7.32 per 1,000 gallons	\$0.06	0.83%
<u>1 1/2" Meters:</u>				
First 15,000 gallons	\$124.67 Minimum Bill	\$125.57 Minimum Bill	\$0.90	0.72%
Over 15,000 gallons	\$7.26 per 1,000 gallons	\$7.32 per 1,000 gallons	\$0.06	0.83%
<u>2" Meters:</u>				
First 25,000 gallons	\$197.27 Minimum Bill	\$198.77 Minimum Bill	\$1.50	0.76%
Over 25,000 gallons	\$7.26 per 1,000 gallons	\$7.32 per 1,000 gallons	\$0.06	0.83%
<u>Bulk User Rate:</u>				
First 1,000 gallons	\$4.29 Minimum Bill	\$4.35 Minimum Bill	\$0.06	1.39%
Over 1,000 gallons	\$4.29 per 1,000 gallons	\$4.35 per 1,000 gallons	\$0.06	1.39%
<u>Wholesale Water Rates:</u>				
First 25,000 gallons	\$166.53 Minimum Bill	\$168.03 Minimum Bill	\$1.50	0.90%
Over 25,000 gallons	\$6.13 per 1,000 gallons	\$6.19 per 1,000 gallons	\$0.06	0.98%

As noted above, based on the increased cost of water from the Shelbyville Municipal Water & Sewer Commission, all rates will increase \$0.06 per 1,000 gallons. The monthly bill for a customer using an average of 4,915 gallons of water each month will increase from \$51.39 to \$51.69. This is an increase of \$0.30 or 0.58%.

The charges/rates contained in this notice are the charges/rates proposed by the U.S. 60 Water District. However, the Public Service Commission may order charges/rates to be charged that differ from these proposed charges/rates. Such action may result in charges/rates for consumers other than the charges/rates detailed in this notice.

Any person may examine this application at the offices of the U.S. 60 Water District located at 4596 Bagdad Road in Bagdad, Kentucky. In addition, any 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>. Any comments regarding the application may be submitted to the Public Service Commission through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602. The Public Service Commission can also be contacted at 502-564-3940.

This notice is published pursuant to 807 KAR 5:068 - Purchased Water Adjustment for Water Districts and Water Associations.

U.S. 60 WATER DISTRICT
s/ **Pat Hargadon, Chairman**

P.S.C. KY. NO. 3

5th REVISED SHEET NO. 1

U.S. 60 Water District of Shelby & Franklin Counties, KY
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3

4th REVISED SHEET NO. 1

RATES AND CHARGES

MONTHLY RATES:

5/8 x 3/4 Inch Meters:

First	1,000 gallons	\$17.21 Minimum Bill
Next	2,000 gallons	\$9.54 per 1,000 gallons
Next	2,000 gallons	\$8.04 per 1,000 gallons
Over	5,000 gallons	\$7.32 per 1,000 gallons

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1 Inch Meters:

First	5,000 gallons	\$52.37 Minimum Bill
Over	5,000 gallons	\$7.32 per 1,000 gallons

1 1/2 Inch Meters:

First	15,000 gallons	\$125.57 Minimum Bill
Over	15,000 gallons	\$7.32 per 1,000 gallons

2 Inch Meters:

First	25,000 gallons	\$198.77 Minimum Bill
Over	25,000 gallons	\$7.32 per 1,000 gallons

Bulk User Rate:

First	1,000 gallons	\$4.35 Minimum Bill
Over	1,000 gallons	\$4.35 per 1,000 gallons

Wholesale Water Rates:

First	25,000 gallons	\$168.03 Minimum Bill
Over	25,000 gallons	\$6.19 per 1,000 gallons



DATE OF ISSUE April 20, 2021
Month / Date / Year

DATE EFFECTIVE May 1, 2021
Month / Date / Year

ISSUED BY Pat Hargadon
(Signature of Officer)

TITLE Chairman

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


RESOLUTION OF AUTHORIZATION

The U.S. 60 Water District, Bagdad, Kentucky hereby orders an increase in the District's rates for service pursuant to 807 KAR 5:068: Purchased Water Adjustment Regulation. This action is required due to an increase in the cost of water purchased from the Shelbyville Municipal Water & Sewer Commission effective on April 19, 2021. The terms of the rate increase shall be consistent with the District's application to the Public Service Commission to be submitted on or after April 20, 2021. The rates proposed therein shall become effective for service rendered on or after May 1, 2021.

Action herein ordered shall be duly recorded in the minutes of this public meeting of the U.S. 60 Water District held on this the 20th day of April 2021.


Ordered this 20th day of April, 2021.

Signed:



Pat Hargadon, Chairman

Attest:



Stephen Miller, Secretary