

**PSC FILINGS**

**NOTICE OF FILING**

COMES the Union County Water District and does hereby provide notice of the filing of two (2) affidavits attached hereto and respectfully requests the Public Service Commission to consider the filing of December 10, 2020 to satisfy 807 KAR 5:068, Section 4.

Respectfully Submitted,

ARNETT LAW OFFICE, PLLC

109 South Morgan Street  
P.O. Box 419  
Morganfield, Kentucky 42437  
Telephone: (270) 389-2006  
Facsimile: (270) 389-2007  
Attorney for Plaintiff

*/s/ Stephen M. Arnett*  
Stephen M. Arnett

**CERTIFICATE OF SERVICE**

I certify that a true copy of the forgoing document was electronically sent to the PSC by e-mail [PSCfilings@ky.gov](mailto:PSCfilings@ky.gov) on this 4 day of May, 2021.

Copies to:

[Jeb.pinney@ky.gov](mailto:Jeb.pinney@ky.gov)

[Jesse.fries@ky.gov](mailto:Jesse.fries@ky.gov)

*/s/ Stephen M. Arnett*  
Stephen M. Arnett

## AFFIDAVIT

Submitted by the Union County Water District to the Kentucky PSC

Comes the Affiant, Gary Sheffer, and after being duly sworn deposes and states that he is the Manager of the Union County Water District. The Affiant states that he had provided to Kemper CPA all necessary documents to submit an application for a rate increase in December 2020. The Affiant states that this rate increase was from a base rate of 2.5242 to 2.5542. The Affiant states that this rate increase was necessitated due to a rate increase by the City of Morganfield.

The Affiant states that the Union County Water District purchases all of its water from the City of Morganfield and the Union County Water District has been charging the new rate of 2.5542 since January 1, 2021.

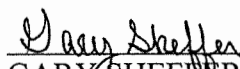
The Affiant states that currently the Union County Water District has 2,294 individual customers. The Affiant further states that their current software manager has indicated that the software would not be able to recalculate any over-payments for the months of January, February, March, and April. The Affiant states that the only way of calculating any potential over-payment would be on an individual basis and would involve many man hours in order to do the recalculation. The Affiant further states that the Union County Water District has only 2 clerical employees and to recalculate any potential over-payment would be a substantial hardship on the Union County Water District.

The Affiant further states that for the month of December, the Union County Water District lost money due to the bills generated by the Union County Water District were lost or substantially delayed due to those bills having to be processed in Evansville, Indiana. The Affiant states that Evansville, Indiana postal service was overwhelmed with mail in December 2020 due to understaffing related to COVID issues.

The Affiant further states that due to the mandate issued by the Commonwealth of Kentucky, due to COVID hardships, the Union County Water District lost income in the approximate amount of \$31,113.30, due to the water district's inability to terminate service in the year 2020. (See attached calculation.)

The Affiant states that to re-calculate any potential over-payment would be a massive undertaking by the office staff of the Union County Water District. This situation was not created due to any malfeasance on the part of the Union County Water District and the Affiant respectfully requests the PSC Commission to consider this hardship in its determination.

Further the Affiant sayeth naught.

  
GARYSHEFFER  
Manager, Union County Water District

**VERIFICATION OF AFFIANT**

The affiant states that he has read the foregoing and that the statements contained therein are true and correct to the best of his knowledge and belief.

Gary Sheffer  
GARY SHEFFER

) STATE OF KENTUCKY  
) COUNTY OF UNION

Subscribed, sworn to, and acknowledged before me, a Notary Public in the state and county aforesaid, by the Affiant on this the 30 day of April 2021.

Caroline Skinner Morris  
NOTARY PUBLIC, STATE AT LARGE  
Commission Expires: 7/11/2024  
Notary ID #: 10460

To Base Averages:  
ACTUAL DOLLARS

Penalty Billed:

Jan-21 \$ 1,719.00  
Feb-21 \$ 1,602.00  
Mar-21 \$ 1,408.00  
Total \$ 4,729.00  
Mo. Avg \$ 1,576.33

To Calculate Estimated Revenue  
Loss: AVERAGES

Months Penalty Not Billed:

Mar-20 \$ 1,576.33  
Apr-20 \$ 1,576.33  
May-20 \$ 1,576.33  
Jun-20 \$ 1,576.33  
Jul-20 \$ 1,576.33  
Aug-20 \$ 1,576.33  
Sep-20 \$ 1,576.33  
Oct-20 \$ 1,576.33  
Nov-20 \$ 1,576.33  
Dec-20 \$ 1,576.33  
TOTAL \$15,763.30

PENALTY LOST \$ 15,763.30  
M/R FEES LOST \$ 13,850.00  
BAD DEBT FROM  
NOT BEING ABLE \$ 1,500.00  
TO L/O:

This \$1500 is only counting accounts locked in  
November 2020 when allowed by PSC.  
More were done throughtout the months  
at landlords request, etc but no way to  
track those due to log not being kept.

Meter Reading Charges

Oct-20 \$ 6,690.00  
Nov-20 \$ 5,880.00  
Dec-20 \$ 8,880.00  
Jan-21 \$ 5,820.00  
Feb-21 \$ 8,070.00  
Mar-21 \$ 6,210.00  
Total \$41,550.00  
Mo. Avg \$ 6,925.00

Months M/R Charges Not  
Billed:

Mar-20 \$ 6,925.00  
Apr-20 \$ 6,925.00  
TOTAL \$13,850.00

TOTAL ESTIMATED  
REVENUE LOSS

TO COVID19 \$31,113.30

*Due to postal  
problems month  
of Dec 2020/Jan 2021 (bills)  
we did not do  
lock-outs bc so  
many people never got bills in Dec.*

## AFFIDAVIT

Submitted by the Union County Water District to the Kentucky PSC

COMES the Affiant, Robert Baird, CPA, Kemper CPA Group, LLP, and after being duly sworn deposes and states that he is an accountant with Kemper CPA Group of 101 East Main Street, Morganfield, Union County, Kentucky. The Affiant states that he has been the Certified Public Accountant who for the past several years has submitted rate increases and/or rate decreases to the Kentucky Public Service Commission on behalf of the Union County Water District.

The Affiant states that the 2021 UCWD PWA form and support (a copy of which is attached hereto and made a part hereof and marked Exhibit A) was mailed to the Kentucky PSC at 211 Sower Boulevard, Frankfort, Kentucky 40602-0615 on December 10, 2020. The Affiant states that this file is not sent certified mail but in the future, all correspondence with the PSC will be sent by certified mail.

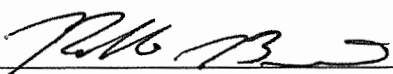
The Affiant states that not until April 15, 2021, did the Affiant become aware that the PSC had not received the PWA form attached hereto. On April 21, 2021, the Affiant says that the PSC was sent the Notice of Intent to electronically file the delinquent PWA form. A copy of the confirmation is attached hereto and made a part hereof and marked Exhibit B. The Affiant states that on Friday, April 23, 2021, he received confirmation that the documents had been successfully filed with the PSC (a copy of that confirmation is attached hereto and made a part hereof and marked Exhibit C).

On April 26, 2021, the Union County Water District received a Notice of Filing Deficiency (a copy of that Notice is attached hereto and made a part hereof and marked Exhibit D).

The Affiant states that he is also the CPA for the City of Morganfield and is aware that the City of Morganfield submitted and obtained a rate increase from the PSC effective January 1, 2021. The Affiant states that the Union County Water District does not refine its own water and purchases all of its water from the City of Morganfield. Attached hereto and made a part hereof and marked Exhibit E, is an itemization of the water purchased and the water sold by the Union County Water District from January 1, 2021 to March 31, 2021.

Attached hereto and made a part hereof and marked Exhibit F, is an approximation of the amount of deficiency that would be incurred by the Union County Water District by purchasing water at the new rate and selling the water at the old rate. This is an approximation based upon past years usage during the same monthly periods.

Further the Affiant sayeth naught.

  
\_\_\_\_\_  
ROBERT BAIRD


**VERIFICATION OF AFFIANT**

The affiant states that he has read the foregoing and that the statements contained therein are true and correct to the best of his knowledge and belief.

  
\_\_\_\_\_  
ROBERT BAIRD

) STATE OF KENTUCKY  
) COUNTY OF UNION

Subscribed, sworn to, and acknowledged before me, a Notary Public in the state and county aforesaid, by the Affiant on this the 30 day of April 2021.

  
\_\_\_\_\_  
NOTARY PUBLIC, STATE AT LARGE  
Commission Expires: 7/11/2024  
Notary ID #: 10460

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

Name of Utility	UNION COUNTY WATER DISTRICT	
Date	DECEMBER 08, 2020	
Address	P.O. BOX 146 409 NORTH COURT STREET	
City, State, Zip	MORGANFIELD, KY	42437
Telephone Number	270-389-3868	
Email Address	ucwdgarysheffer@yahoo.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.

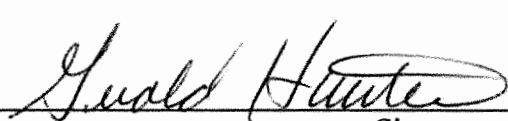
Supplier(s)	Base Rate	Changed Rate
CITY OF MORGANFIELD, KY	2.5242	2.5542

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	November 2019	through	October 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 MORGANFIELD, KY	354,306,000
TOTAL PURCHASES	354,306,000
4. Total gallons sold for the 12 month period	292,569,515
5. Increased water cost	\$10,629
<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	\$.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 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	JANUARY 1, 2021
 Signature of Utility Officer	
CHAIRMAN	
Title	



Andy Beshear  
Governor

Rebecca W. Goodman  
Secretary  
Energy and Environment Cabinet



Commonwealth of Kentucky  
**Public Service Commission**  
211 Sower Blvd.  
P.O. Box 615  
Frankfort Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

Michael J. Schmitt  
Chairman

Kent A. Chandler  
Vice Chairman

Talina R. Mathews  
Commissioner

April 21, 2021

PARTIES OF RECORD

RE: Case No. **2021-00180**

Union County Water District  
(Purchased Water Adjustment)

This letter is to acknowledge receipt of notice of election of use of electronic filing procedures to file an application in the above case. The notice was date-stamped received April 21, 2021, and has been assigned Case No. 2021-00180. In all future correspondence or filings in connection with this case, please reference the above case number.

All documents submitted to the Commission in this proceeding must comply with the rules of procedure adopted by the Commission found in 807 KAR 5:001. Any deviation from these rules must be submitted in writing to the Commission for consideration. Additionally, confidential treatment of any material submitted must follow the requirements found in 807 KAR 5:001 (13).

Materials submitted to the Commission which do not comply with the rules of procedure, or that do not have an approved deviation, are subject to rejection by Commission pursuant to 807 KAR 5:001 (3). In order to insure cases are processed in a timely manner and accurate reliable records are created, please make sure that the rules of procedure are followed. Should you have any questions, please contact Brandon Bruner in the Filings Branch at 502-564-3940.

Sincerely,

A handwritten signature in black ink that reads "Linda C. Bridwell".

Linda C. Bridwell  
Executive Director

LCB/AH

KentuckyUnbridledSpirit.com



An Equal Opportunity Employer M/F/D

\*Robert Baird  
CPA

\*Gary Sheffer  
Manager  
Union County Water District  
409 North Court Street  
P. O. Box 146  
Morganfield, KY 42437

\*Kara Bickett  
Union County Water District  
409 North Court Street  
P. O. Box 146  
Morganfield, KY 42437

\*Union County Water District  
409 North Court Street  
P. O. Box 146  
Morganfield, KY 42437

\*Denotes Served by Email

Service List for Case 2021-00180

**Robert Baird**

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**From:** KY\_PSC Filings <pscfilings@ky.gov>  
**Sent:** Friday, April 23, 2021 2:45 PM  
**To:** Robert Baird  
**Subject:** KY-PSC Electronic Filing Center Notification for Case #2021-00180

**EXTERNAL EMAIL:** Do not click any links or open any attachments unless you trust the sender and know the content is safe.

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Confirmation of Posting.

This notification is sent regarding the recent filing for case#: 2021-00180 on 4/23/2021 at 3:45 PM

Filed By: Robert P Baird

Date/Time Filed: 4/23/2021 3:45:05 PM

The following documents have been accepted and posted to the Electronic Case File:

File Name	Document Description
2021_UCWD_PWA_Form_and_Support.pdf	PWA and supporting documentation

[https://psc.ky.gov/PSC\\_WebNet/ViewCaseFilings.aspx?Case=2021-00180](https://psc.ky.gov/PSC_WebNet/ViewCaseFilings.aspx?Case=2021-00180)

FILERS COPY

## Robert Baird

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**From:** KY\_PSC Filings <pscfilings@ky.gov>  
**Sent:** Friday, April 23, 2021 2:51 PM  
**To:** Robert Baird  
**Subject:** KY-PSC Electronic Filing Center Notification for Case #2021-00180

**EXTERNAL EMAIL:** Do not click any links or open any attachments unless you trust the sender and know the content is safe.

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Confirmation of Posting.

This notification is sent regarding the recent filing for case#: 2021-00180 on 4/23/2021 at 3:51 PM

Filed By: Robert P Baird

Date/Time Filed: 4/23/2021 3:51:06 PM

The following documents have been accepted and posted to the Electronic Case File:

File Name	Document Description
Read1st.pdf	Read first

[https://psc.ky.gov/PSC\\_WebNet/ViewCaseFilings.aspx?Case=2021-00180](https://psc.ky.gov/PSC_WebNet/ViewCaseFilings.aspx?Case=2021-00180)

FILERS COPY



Andy Beshear  
Governor

Rebecca W. Goodman  
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Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
211 Sower Blvd.  
P.O. Box 615  
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psc.ky.gov

Michael J. Schmitt  
Chairman

Kent A. Chandler  
Vice Chairman

Talina R. Mathews  
Commissioner

April 26, 2021

Gary Sheffer  
Union County Water District  
P.O. Box 146  
Morganfield, KY 42437

RE: Union County Water District  
Case No. 2021-00180 - Filing Deficiency

The Commission Staff has reviewed the application in the above case. This filing is rejected for the reason set forth below.

Filing deficiency pursuant to:

- (1) 807 KAR 5:068, Section 4: Satisfactorily completed Purchased Water Adjustment Form 1; Water Purchases and Sales have timed out. Therefore, utility should file updated information less than 90 days of the requested effective date of their proposed rates.

You are requested to submit the information necessary to cure the deficiencies within 20 days of the date of this letter.

If you need further assistance, please contact my staff at 502-564-3940.

Sincerely,

Linda C. Birdwell  
Executive Director

Robert Baird  
CPA

\*Gary Sheffer  
Manager  
Union County Water District  
409 North Court Street  
P. O. Box 146  
Morganfield, KY 42437

\*Kara Bickett  
Union County Water District  
409 North Court Street  
P. O. Box 146  
Morganfield, KY 42437

\*Union County Water District  
409 North Court Street  
P. O. Box 146  
Morganfield, KY 42437

\*Denotes Served by Email

Service List for Case 2021-00180

Union County Water District

Year to date water purchased and sold for 2021

	Purchased	Sold
January	32,985,000	20,805,088
February	31,569,000	23,415,010
March	30,979,000	18,294,413
Totals	95,533,000	62,514,511

Union County Water District

Year to date water purchased and sold for 2021

	<u>Purchased</u>	<u>Sold</u>
January	32,985,000	20,805,088
February	31,569,000	23,415,010
March	<u>30,979,000</u>	<u>18,294,413</u>
Totals	<u>95,533,000</u>	<u>62,514,511</u>

Cost of water purchased at 2021 rate (2.5542 per 1,000 gal) from City of Morganfield for above 3 months: \$ 244,010

The estimated additional revenue the District would generate from the 0.04 increase per 1,000 gallons for the above 3 months sold would be approximately: \$ 2,501

\*\*\*Assuming the District is unable to charge the additional pass through water rate adjustment of 0.04 per 1,000 gallons an estimated loss of revenue would be equivalent to the \$2,501 for the first 3 months of 2021.