

**MARION COUNTY WATER DISTRICT
1835 CAMPBELLSVILLE ROAD
P O BOX 528
LEBANON, KY 40033**

●
Telephone: 270-692-2004
Fax: 270-692-1010
TTY: 1-800-648-6956 or 711

July 26, 2021

Ms. 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

Dear Ms. Bridwell:

The Marion County 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, Campbellsville Municipal Water & Sewer, that it will increase the District's wholesale rate by \$0.19 per 1000 gallons. This increase will become effective on August 1, 2021. The result of the increase is \$577.49 in additional annual supply cost for the District. This translates into \$0.01 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 of Campbellsville Water & Sewer'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 – 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 District.

Sincerely,



Earl Sandusky, Chairman

ES/jlm

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

Name of Utility	Marion County Water District	
Date	7/26/21	
Address	P.O. Box 528	
City, State, Zip	Lebanon, Kentucky	40033
Telephone Number	(270) 692-2004	

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 Municipal Water & Sewer	Rate per 1000 gallons: \$2.35	Rate per 1000 gallons: \$2.54
Lebanon Water Works Company	Monthly Meter Service Charge: \$94.08 (Twelve (12) meters @ \$7.84 per meter) Rate per 100 Cubic Feet: \$3.25 <i>Equivalent Rate per 1,000 gallons: \$4.3446</i>	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	July 2020	through	June 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
Campbellsville Municipal Water & Sewer	3,302,600
Lebanon Water Works Company	478,429,605
TOTAL PURCHASES	481,732,205

4. Total sales for the 12 month period 373,573,629

5. Increased water cost \$577.49

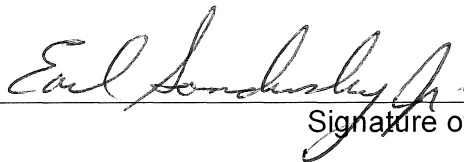
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.

6. Purchased water adjustment factor \$0.01

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. 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 August 1, 2021



Signature of Utility Officer

Chairman

Title

Increased Water Cost Calculation:

Campbellsville Municipal Water & Sewer

$$(3,302.6 \times \$2.54) = \$8,388.60$$

$$(3,302.6 \times \$2.35) = \$7,761.11$$

$$\text{Increased Water Cost} = \$577.49$$

Purchased Water Adjustment Factor Calculation:

$$\text{Increased Water Cost} = \$577.49$$

$$\text{Total Gallons Sold} = 373,573,629$$

$$\$577.49 / 373,573.629 = \$0.0016 \text{ per 1000 Gallons}$$

$$= \$0.01 \text{ per 1000 Gallons}$$

May 28, 2021

Marion County Water District
C/O Toby Spalding
P.O. Box 528
Lebanon, KY 40033

RE: Proposed Water Rate Increase

Dear Mr. Spalding:

The Campbellsville Water & Sewer Committee met on May 13, 2021 and recommended to the Campbellsville City Council an increase in Marion County Water District's rate for water service from Campbellsville Water.

The Wholesale Water Rate for Marion County Water District will increase from \$2.35 per 1000 gallons to \$2.54 per 1,000 gallons.

The Campbellsville City Council had its First Reading of the proposed rate increase on Monday, May 17, 2021, and the Second Reading will be heard on Monday, June 21, 2021.

The proposed rate increase will be effective for water used on and after August 1, 2021.

Attached are the following documents, which contain the new rates, the proposed effective date, and other information, as required by the Public Service Commission.

- Customer Notice
- Revised Tariff Sheet
- Proposed Rate Ordinance being considered by the Campbellsville City Council

Sincerely,



Mayor Brenda Allen

NOTICE

Notice is hereby given that Campbellsville Municipal Water & Sewer (Campbellsville Water) plans to file with the Public Service Commission on or before July 1, 2021 to increase its rates for wholesale water service to Marion County Water District effective for service on and after August 1, 2021. The proposed rates are as follows:

<u>Wholesale Water Rate</u>	<u>Current Rate</u>	<u>New Rate</u>	<u>Change (\$)</u>	<u>Change (%)</u>
Marion County Water District	\$2.35 per 1,000 gallons	\$2.54 per 1,000 gallons	\$0.19 per 1,000 gallons	8.09%

The rates contained in this notice are the rates proposed by Campbellsville Water but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

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

This filing may be examined at the offices of Campbellsville Water located at 110 S. Columbia Ave., Campbellsville, Kentucky 42718 or by contacting Millie Ramsey at the same address as above or by phone at (270) 789-3133.

The filing may also be examined at the offices of the Public Service Commission 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>.

Comments regarding the filing may be submitted to the Public Service Commission through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

Intervention by Marion County Water District or another person with a substantial interest 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 prior to the effective date of the proposed rates, the Public Service Commission may take final action on the filing.

**STATEMENT OF WATER PURCHASED
MARION COUNTY WATER DISTRICT**

CAMPBELLSVILLE MUNICIPAL WATER & SEWER

Month	Usage/Gallons	Total Cost
July 2020	329,600	\$828.57
August	346,500	868.28
September	272,500	694.38
October	255,300	653.97
November	293,200	743.03
December	251,700	645.51
January	225,000	582.75
February	301,200	761.82
March	281,100	714.59
April	214,700	558.55
May	237,000	610.96
June 2021	294,800	746.79
TOTAL	3,302,600	\$8,409.20

LEBANON WATER WORKS COMPANY

Month	Usage/Gallons	Total Cost
July 2020	42,842,448	\$175,931.41
August	40,803,736	167,563.97
September	37,308,130	153,217.03
October	38,553,255	158,327.37
November	39,424,269	161,902.28
December	35,346,719	153,672.79
January	39,969,763	173,759.53
February	39,470,264	171,589.26
March	39,222,214	170,511.55
April	40,436,121	175,785.81
May	38,551,281	167,596.34
June 2021	46,501,405	202,138.99
TOTAL	478,429,605	\$2,031,996.33

**STATEMENT OF WATER SOLD
MARION COUNTY WATER DISTRICT**

Month	Residential	Commercial	Other	Total Gallons Sold
July 2020	28,667,225	7,850,787	298,348	36,816,360
August	27,328,194	7,349,711	328,543	35,006,448
September	24,964,835	3,994,748	379,550	29,339,133
October	24,306,340	5,851,078	470,300	30,627,718
November	23,838,629	6,185,343	350,328	30,374,300
December	22,609,900	5,155,535	235,540	28,000,975
January	23,015,018	5,042,793	299,009	28,356,820
February	23,280,026	6,020,658	272,547	29,573,231
March	23,105,478	6,393,998	330,969	29,830,445
April	23,039,872	6,914,042	506,438	30,460,352
May	21,800,675	6,348,444	496,149	28,645,268
June 2021	28,320,835	7,709,174	512,570	36,542,579
TOTAL	294,277,027	74,816,311	4,480,291	373,573,629

LEGAL NOTICE REGARDING THE MARION COUNTY WATER DISTRICT

Notice is hereby given that because of an increase in the cost of water purchased from Campbellsville Municipal Water & Sewer, the Marion County Water District will increase its rates for services effective August 1, 2021. An application requesting the proposed rates was filed with the Kentucky Public Service Commission on July 26, 2021 to increase rates as follows:

	<u>Existing Rates</u>	<u>Proposed Rates</u>	<u>Increase (\$)</u>	<u>Increase (%)</u>
<u>Customer Charge (Minimum Bill)</u>				
5/8 Inch x 3/4 Inch Meter	\$7.45	\$7.45	NC	NC
1 Inch Meter	\$16.20	\$16.20	NC	NC
2 Inch Meter	\$25.68	\$25.68	NC	NC
3 Inch Meter	\$40.73	\$40.73	NC	NC
4 Inch Meter	\$64.60	\$64.60	NC	NC
6 Inch Meter	\$162.59	\$162.59	NC	NC

Water Charge

All Usage, Per Gallon:	\$0.00687	\$0.00688	\$0.00001	0.15%
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As noted above, based on the increased cost of water from Campbellsville Municipal Water & Sewer all rates will increase \$0.00001 per gallon. The monthly bill for an average residential customer using 4,154 gallons of water each month will increase from \$35.99 to \$36.03. This is an increase of \$0.04 or 0.11%.

The charges/rates contained in this notice are the charges/rates proposed by the Marion County 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 Marion County Water District office located at 1835 Campbellsville Road, Lebanon, KY 40033. 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.

MARION COUNTY WATER DISTRICT

s/Earl Sandusky, Chairman

FOR ALL AREAS SERVED

P.S.C. KY. NO. 3

5th Revised SHEET NO. 1

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

4th Revised SHEET NO. 1

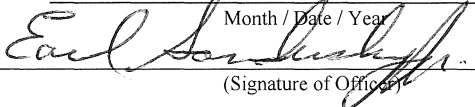
Marion County Water District
(Name of Utility)

RATES & CHARGES

	RATE PER UNIT
Customer Charge, minimum bill	
5/8 Inch x 3/4 Inch Meter	\$7.45
1 Inch Meter	\$16.20
2 Inch Meter	\$25.68
3 Inch Meter	\$40.73
4 Inch Meter	\$64.60
6 Inch Meter	\$162.59
Water Charge	
All Usage, Per Gallon	\$0.00688 (I)
Meter Connections	
5/8 Inch x 3/4 Inch Meter	\$865.00
All Larger Meters	Actual Cost
Fire Hydrants (Non-Metered 6 Inch Connect), per month	\$7.50

DATE OF ISSUE July 26, 2021
Month / Date / Year

DATE EFFECTIVE August 1, 2021
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

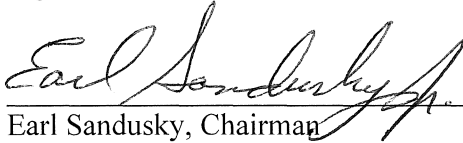
RESOLUTION OF AUTHORIZATION

The Marion County Water District 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 Campbellsville Municipal Water & Sewer effective on August 1, 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 July 26, 2021. The rates proposed therein shall become effective for service rendered on or after August 1, 2021.

Action herein ordered shall be duly recorded in the minutes of this public meeting of the Marion County Water District held on this 22nd day of July, 2021.

Ordered this the 22nd day of July, 2021.

Signed:



Earl Sandusky, Chairman

Attest:



Everett Thomas, Secretary