

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION INTO)
LEDBETTER WATER DISTRICT CHARGING) CASE NO. 2021-00311
UNAUTHORIZED RATES PURSUANT TO 807)
KAR 5:068)

RESPONSE TO ORDER OF AUGUST 4, 2021

Pursuant to the Public Service Commission’s (“Commission”) Order of August 4, 2021, Ledbetter Water District (“Ledbetter District”) responds to the allegations set forth therein as follows:

1. Ledbetter District is a water district organized under KRS Chapter 74. Pursuant to KRS 278.015, its rates and service are subject to the Commission’s regulation.
2. For the period from January 1, 2018 through December 31, 2020, Ledbetter District satisfied its water requirements as shown in Table 1.

Table 1				
Year	Purchased (Gals)	Purchased (%)	Produced (Gals)	Produced (%)
2018	35,976,000	44.36	45,315,000	55.74
2019	35,681,000	47.40	39,592,000	52.60
2020	32,611,000	42.41	44,290,000	57.59

All water that Ledbetter District purchases to meet its water requirements is purchased from Crittenden-Livingston Water District (“Crittenden-Livingston District”).

3. On May 23, 2019 in Case No. 2018-00414, the Commission authorized Crittenden-Livingston District to increase its rates in three phases.¹ The first phase of the increase became

¹ *Application of Crittenden-Livingston County Water District for An Alternative Rate Adjustment*, Case No. 2018-00414 (Ky. PSC May 23, 2019).

effective on May 23, 2019. The second and third phases of the authorized increase were to take effect one year and two years later respectively.

4. Following Crittenden-Livingston District's implementation of the first phase of the increase, Ledbetter District applied to the Commission pursuant to 807 KAR 5:068 to increase its rates commensurate with the increase in Crittenden-Livingston District's rates. On July 23, 2019 in Case No. 2019-00196,² the Commission authorized an increase in Ledbetter District's rates to reflect the higher cost of purchasing water from Crittenden-Livingston District.

5. Ledbetter District's General Manager Billy Downs retired on July 31, 2019. Alan Fox succeeded Mr. Downs. Prior to his selection as general manager, Mr. Fox was employed by Ledbetter District for 14 years to maintain and oversee the operations of Ledbetter District's water treatment plant and water distribution system, as well as Ledbetter District's sewage collection and treatment facilities. He was not involved in Ledbetter District's financial or administrative matters and had no experience dealing with the Commission or with regulatory issues. He had very limited knowledge of the requirements of KRS Chapter 278 or Commission practice or procedure.

6. On April 14, 2020, approximately one month prior to Crittenden-Livingston District's required implementation of the second phase of its authorized rates, Mr. Fox requested assistance from the Commission to prepare an application for a purchased water adjustment ('PWA'). He contacted the Commission's public information officer by electronic email. His request for assistance was referred to the Director of the Commission's Financial Analysis Division, who referred the request to Commission Staff member Jason Green. On April 16, 2020,

² *Purchased Water Adjustment Filing of Ledbetter Water District*, Case No. 2019-00196 (Ky. PSC July 23, 2019).

Mr. Green contacted Mr. Fox by electronic mail to offer his assistance. A copy of this electronic mail traffic is attached to this Response as Exhibit A.

7. On April 22, 2020, Mr. Fox sent to Mr. Green by electronic mail Ledbetter District's application for a PWA to reflect the effects of Crittenden-Livingston District's implementation of the second phase rates. He advised Mr. Green that the application was the "first one I have been involved with so let me know if [I] need to do anything else." A copy of this message and the application are attached as Exhibit B.

8. Mr. Green responded to the electronic message the same day and advised Mr. Fox that his application "looks good" and that his calculations appear correct. He recommended that the PWA factor in the application, which was calculated at \$0.1581, should be revised to \$0.16 to permit the recovery of "the full amount of the increase in purchased water." *See* Exhibit C.

9. On April 25, 2020, Mr. Fox responded to Mr. Green's message and advised him that he would place an advertisement in the local paper to advertise the increase of \$0.16 per 1,000 gallons in Ledbetter District's rate. *See* Exhibit C.

10. On May 11, 2020, Mr. Fox sent an electronic mail message to Mr. Green in which he stated: "I am trying to see if there is anything else I need to do for our adjustment. I have listed it in [the] Livingston ledger (sic) paper." A copy of this message is attached as Exhibit D to this Response.

11. On May 19, 2021, Ledbetter District's Board of Commissioners approved an adjustment of Ledbetter District's water rates to passthrough the increased purchased water costs resulting from Crittenden-Livingston District's implementation of the second phase rates. This adjustment required the implementation of a purchased water adjustment factor of \$0.16.

12. On May 23, 2020, Crittenden-Livingston District implemented the second phase of the authorized increase, increasing its wholesale rate to Ledbetter District from \$2.83 per 1,000 gallons to \$3.08 per 1,000 gallons.

13. On May 28, 2020, notice of a \$0.16 per 1,000 gallons increase in Ledbetter District's rates was published in the *Livingston Ledger*. A copy of this notice is attached to this Response as Exhibit E.

14. On June 3, 2020, Mr. Fox emailed Mr. Green a copy of Ledbetter District's application with the revised PWA adjustment factor and the published notice. He noted on his message that "[T]his is in regards to [L]edbetter [W]ater [D]istrict[']s purchased water adjustment. [T]hanks for your help." A copy of this message and the application is attached to this Response as Exhibit F. There is no record of any Commission Staff response to this message or any subsequent Commission Staff inquiry regarding this PWA application prior to March 2021.

15. Mr. Fox misinterpreted his communications with Commission Staff and his submission of these documents to Commission Staff as constituting the filing of the documents and assumed that no further action was required on Ledbetter District's part, and that Ledbetter District could proceed to charge the new rates. Neither he nor any other Ledbetter District official realized that additional actions were required to file the application for purchased water adjustment and that no official action had been taken on the documents that he submitted.

16. The Commission's Order of March 16, 2020 in Case No. 2020-00085³ added to the Mr. Fox's confusion. In that Order, the Commission discouraged the filing of physical documents by mail and encouraged the use of the Commission's electronic filing system or electronic mail to deliver documents to the Commission. At that time, Ledbetter District had never used the

³ *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19*, Case No. 2020-00085 (Ky. PSC Mar. 16, 2020).

Commission’s electronic filing system to file any documents in a formal proceeding. Mr. Fox was unfamiliar with that system. He mistakenly believed his electronic mailing of documents to Commission Staff satisfied the requirements of the March 16, 2020 Order.

17. From May 23, 2020, until May 4, 2021, Ledbetter District charged the following rates for water service:

Customer Charge:	\$7.74 per month
First 25,000 gallons	\$6.99 per 1,000 gallons
Over 25,000 gallons	\$4.83 per 1,000 gallons

18. In anticipation of Crittenden-Livingston District’s implementation of third phase rates, Mr. Fox in early March 2021 began preparing an application for a purchased water adjustment to passthrough the increased purchased water costs resulting from the third phase rates. After realizing that no revised tariff sheet reflecting Ledbetter District’s current rates had been filed after the submission of the final version of the PWA application, Mr. Fox contacted Commission Staff for assistance. After discussions with Commission Staff, Mr. Fox realized that the earlier application had not been properly filed. Ledbetter District then filed an application for a purchase water adjustment to reflect the increased costs of the implementation of the second phase rates, which was docketed as Case No. 2021-00158.⁴ On May 4, 2021, it entered an order approving a purchased water adjustment factor of \$0.15 and following rates for water service effective as of May 4, 2021:

Customer Charge:	\$7.74 per month
First 25,000 gallons	\$6.98 per 1,000 gallons
Over 25,000 gallons	\$4.83 per 1,000 gallons

19. Ledbetter District began charging the rates set forth in the Order of May 4, 2021 for service rendered on and after that date.

⁴ *Electronic Purchased Water Adjustment Filing of Ledbetter Water District*, Case No. 2021-00158 (Ky. PSC tendered Apr. 4, 2021).

20. On May 23, 2021, Crittenden-Livingston Water District implemented the third phase of the authorized increase, increasing its wholesale rate to Ledbetter District from \$3.08 per 1,000 gallons to \$3.34 per 1,000 gallons.

21. On June 15, 2021, Ledbetter District's Board of Commissioners approved an adjustment of Ledbetter District's water rates to passthrough the increased purchased water costs resulting from Crittenden-Livingston District's implementation of the third phase rates.

22. On June 25, 2021, Ledbetter District applied to the Commission for a purchased water adjustment to reflect the increased costs of the implementation of the third phase rates. Its application was docketed as Case No. 2021-00238.⁵ On August 4, 2021, it entered an order approving a purchased water adjustment factor of \$0.16 and following rates for water service effective August 4, 2021:

Customer Charge:	\$7.74 per month
First 25,000 gallons	\$7.14 per 1,000 gallons
Over 25,000 gallons	\$4.98 per 1,000 gallons

23. Between May 23, 2020, until May 4, 2021, Ledbetter District charged and collected rates that differed from those on file with the Commission. During this period, Ledbetter District sold approximately 49,766,787 gallons of water. As a result, Ledbetter District billed and collected revenues approximately \$7,962.69 greater than the revenues that would have been collected if the rates in its filed rate schedules had been charged.⁶

24. Ledbetter District failed to comply with KRS 278.160 between May 23, 2020 and May 4, 2021 by assessing rates for water service that differed from those contained in its filed rate schedules. However, neither Ledbetter District nor any of its officers or agents willfully or

⁵ *Electronic Purchased Water Adjustment Filing of Ledbetter Water District*, Case No. 2021-00238 (Ky. PSC tendered June 25, 2021).

⁶ \$7,962.69 = 49,766,787 gallons x \$0.16 per 1,000 gallons.

24. Ledbetter District failed to comply with KRS 278.160 between May 23, 2020 and May 4, 2021 by assessing rates for water service that differed from those contained in its filed rate schedules. However, neither Ledbetter District nor any of its officers or agents willfully or intentionally violated KRS 278.160. All acted under a good faith belief that the necessary actions had been taken to adjust Ledbetter District's rates and the rates charged were the proper and lawful rates for water service. Mr. Fox sought the assistance of Commission Staff and attempted to comply with Commission Staff's guidance. He had no prior experience with making filings with the Commission and was unfamiliar with Commission practice and procedure. Moreover, Ledbetter District lacked legal counsel or other advisors that could have assisted Ledbetter District in ensuring proper procedures were followed.

25. Ledbetter District did not violate 807 KAR 5:068 as that regulation merely sets forth the procedures necessary for a water district or water association to obtain a purchased water adjustment pursuant to KRS 278.012 and KRS 278.015. The regulation is procedural in nature. Failure to follow that regulation results in rejection of a water district's application for rate adjustment pursuant to that regulation and deprives a water district of the legal authority to adjust its rates pursuant to KRS 278.015. A water district that proceeds to charge rates that differ from its filed rates without properly filing an application for purchased water adjustment violates KRS 278.160 for assessing a rate not set forth in its tariff or otherwise authorized by the Commission.

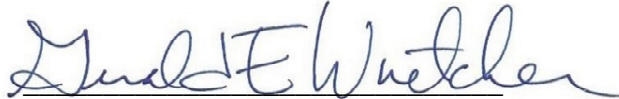
26. Ledbetter District requests permission to retain the amounts collected from May 23, 2020 to May 4, 2021 as these amounts represented the increased cost of purchased water and were remitted to Crittenden-Livingston Water District to cover that increased cost. If the Commission determines that these amounts must be refunded, Ledbetter District respectfully requests that it be

permitted to assess a surcharge over a period of 12 months to collect approximately \$7,962.69 to recover its increased purchased water costs for the period from May 23, 2020 to May 4, 2021. Such surcharges to recover the previously incurred purchased water increases have been found to be reasonable and lawful. *See Kentucky Public Service Commission v. Cumberland Falls Highway District*, 834 S.W.2d 728 (Ky. Ct. App. 1992).

WHEREFORE, Ledbetter District requests that the Commission close its investigation without taking further action against Ledbetter District or its officers or employees.

Dated: October 28, 2021

Respectfully submitted,

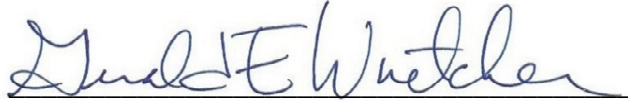


Gerald E. Wuetcher
Stoll Keenon Ogden PLLC
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507-1801
Telephone: (859) 231-3017
Fax: (859) 259-3517
gerald.wuetcher@skofirm.com

Counsel for Ledbetter Water District

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, and the Public Service Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on October 28, 2021 and that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding.

A handwritten signature in blue ink, reading "Gerald E. Wuetcher". The signature is written in a cursive style with a horizontal line underneath the name.

Gerald E. Wuetcher

EXHIBIT A

Wuetcher, Gerald

From: Bill Downs <ledbetterwaterdi@bellsouth.net>
Sent: Tuesday, October 19, 2021 10:42 AM
To: Wuetcher, Gerald
Subject: Fw: purchase water ajustment

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

----- Forwarded Message -----

From: Green, Jason L (PSC) <jason.green@ky.gov>
To: ledbetterwaterdi@bellsouth.net <ledbetterwaterdi@bellsouth.net>
Sent: Thursday, April 16, 2020, 08:57:46 AM CDT
Subject: Fwd: purchase water ajustment

Mr. Downs,

I will be happy to help you with your PWA filing. Let me know how I can be of assistance. I am working remotely from home and not in the office but should be able to get what you need.

Thanks.

Get [Outlook for iOS](#)

From: Purvis, Mary E (PSC) <Mary.Purvis@ky.gov>
Sent: Thursday, April 16, 2020 9:38 AM
To: Green, Jason L (PSC)
Cc: Wilson, Karen L (PSC)
Subject: RE: purchase water ajustment

Yes, it is with me. Sending it to my PWA expert.

Jason, please follow up with this today.

MaryBeth Purvis
Director, Division of Financial Analysis
Kentucky Public Service Commission
502-782-2657

-----Original Message-----

From: PSC - Public Information Officer <PSC.Info@ky.gov>
Sent: Thursday, April 16, 2020 9:37 AM
To: Purvis, Mary E (PSC) <Mary.Purvis@ky.gov>
Cc: Wilson, Karen L (PSC) <KarenL.Wilson@ky.gov>
Subject: FW: purchase water ajustment

Not sure--is this okay to send to you to call him back, or someone else?

Thanks,,

Karen

-----Original Message-----

From: Bill Downs <ledbetterwaterdi@bellsouth.net>

Sent: Tuesday, April 14, 2020 1:59 PM

To: PSC - Public Information Officer <PSC.Info@ky.gov>

Subject: purchase water adjustment

I am in process of doing a purchase water adjustment and had some questions could you give me a call at 270-508-0059

EXHIBIT B

**Fw: scan purchase water ajustment form. this is first one i have been involved with so I
et me know if need to do anything else.**

AT&T Yahoo Mail/Sent



Bill Downs <ledbetterwaterdi@bellsouth.net>
To: Green Jason L (PSC) <jason.green@ky.gov>

Apr 22, 2020 at 7:22 AM

----- Forwarded Message -----

From: Paula Malone <waterlwd@bellsouth.net>
To: Billy Downs <ledbetterwaterdi@bellsouth.net>
Sent: Tuesday, April 21, 2020, 12:55:18 PM CDT
Subject: scan

Paula Malone
Ledbetter Water District
Ph. #270-898-3236 Fax# 270-898-3496

1 File | 770kB



Scan0024.pdf
770kB

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

Name of Utility	Ledbetter water district	
Date		
Address	PO BOX 123	
City, State, Zip	LEDBETTER KY	42058
Telephone Number	270-898-3236	
Email Address	ledbetterwaterdi@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
Crittenden Livingston	\$2.83/1000gallons	\$3.08/1000gallons

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit

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 19	through	March 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
Crittenden Livingston water district	35,722,880.00
TOTAL PURCHASES	
4. Total gallons sold for the 12 month period	56,457,028.00
5. Increased water cost	8619.36
<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	\$ 0.15
<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	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit	
9. Proposed effective date	May 23 2020
 Signature of Utility Officer	
CHAIRMAN	
	Title

EXHIBIT C

Re: scan purchase water adjustment form. this is first one i have been involved with so let me know if need to do anything else.

AT&T Yahoo Mail/Sent



Bill Downs <ledbetterwaterdi@bellsouth.net>
To: Green, Jason L (PSC) <jason.green@ky.gov>

Apr 25, 2020 at 11:05 AM

we only have the one supplier Billy has retired and I Alan Fox has taken over his position. bill has been assisting me as needed. I will put add in paper this week to advertise increase of .16 cents per thousand gallons

On Wednesday, April 22, 2020, 08:59:21 AM CDT, Green, Jason L (PSC) <jason.green@ky.gov> wrote:

Mr. Downs,

The information / calculations look to be correct. However, for PWA Applications, the PWA factor should always be rounded up to the nearest cent. In this case, the total PWA factor is \$0.1581, so you should round up to \$0.16 so that you recover the full amount of the increase in purchased water. Other than that the application looks good. I assume you do not purchase water from any other suppliers? If so you will need to include all suppliers in the application and their current rate to you.

If you have any further questions you may reach me via e-mail or on my personal phone number at 502-487-0004.

Thank you!

From: Bill Downs <ledbetterwaterdi@bellsouth.net>
Sent: Wednesday, April 22, 2020 8:22 AM
To: Green, Jason L (PSC) <Jason.Green@ky.gov>
Subject: Fw: scan purchase water adjustment form. this is first one i have been involved with so let me know if need to do anything else.

****CAUTION**** PDF attachments may contain links to malicious sites. Please contact the COT Service Desk ServiceCorrespondence@ky.gov for any assistance.

----- Forwarded Message -----

From: Paula Malone <waterlwd@bellsouth.net>
To: Billy Downs <ledbetterwaterdi@bellsouth.net>
Sent: Tuesday, April 21, 2020, 12:55:18 PM CDT
Subject: scan

Paula Malone
Ledbetter Water District
Ph. #270-898-3236 Fax# 270-898-3496

EXHIBIT D

purchase water adustment

AT&T Yahoo Mail/Sent



Bill Downs <ledbetterwaterdi@bellsouth.net>
To: jason.green@ky.gov

May 11, 2020 at 2:14 PM

I am trying to see if there is anything else I need to do for our adjustment. I have listed it in Livingston ledger paper.

EXHIBIT E

Now Is The Time To Become A Liberty Customer

A Local, Dependable Gas Company that takes care of our customers

We Want To Be Your Propane Supplier!

Call Us For Your Propane Needs!

NOW is the time

to fill your tank, Summer prices!



Recreation Gas Available for Boats, Mowers, Weedaters, Motorcycles and Older Cars

Refurbished Propane Tanks For Sale or Lease to Own Available!

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If We Don't Have It, We Can Get It!



Call to Compare Prices
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EXHIBIT A NOTICE

Notice is hereby given that the Ledbetter Water District seeks approval by the Public Service Commission, Frankfort, Kentucky, for an adjustment of rates for water service in the total amount of \$8,930.72 on an annual basis, which is an increase of approximately 1.87 percent. Ledbetter Water District requests the increase because of an increase in the rate that it pays Crittenden-Livingston Water District for purchased water. The proposed rates will take effect May 23, 2020.

ALL METER SIZES

Customer Charge
First 25,000 gallons
Over 25,000 gallons

CURRENT RATES
\$7.74 Monthly Rate
\$6.83 per 1,000 gallons
\$4.67 per 1,000 gallons

PROPOSED RATE
\$7.74 Monthly Rate
\$6.99 per 1,000 gallons
\$4.83 per 1,000 gallons

An average customer bill for 5,000 gallons usage will increase from \$41.89 to \$42.69 or 1.91%.

The rates in this notice are the rates proposed by the Ledbetter Water District; however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Notice is further given that any corporation, association, or person with a substantial interest in the matter may by written request within thirty (30) days after the publication of this notice, request to intervene in the matter before the Public Service Commission. Intervention may be granted beyond the thirty (30) day period for good cause shown. The request should be submitted to the Public Service Commission at its address shown below. Any person who has been granted intervention by the Commission may obtain copies, free of charge, of the application and testimony by contacting Ledbetter Water District at the address below. Any person may examine the rate application and any other filings made by Ledbetter Water District at its offices between 8:00 and 4:00 at the address below, or at the Public Service Commission between 8:00 and 4:30 at the address below.

Ledbetter Water District
1483 US 60 West
PO Box 123
Ledbetter, Kentucky 42058
Telephone: 270-898-3236

Public Service Commission
211 Sower Boulevard
PO Box 615
Frankfort, Kentucky 40602
Telephone: 502-564-3940

Persons may also view and download a copy of the rate application through the Public Service Commission & website at <http://psc.ky.gov>

Advertisement

EXHIBIT F

this is in regards to ledbetter water districts purchase water ajustment. thanks for your help.

AT&T Yahoo Mail/Sent



Bill Downs <ledbetterwaterdi@bellsouth.net>
To: jason.green@ky.gov

Jun 3, 2020 at 6:05 AM

----- Forwarded Message -----

From: Paula Malone <waterlwd@bellsouth.net>
To: Billy Downs <ledbetterwaterdi@bellsouth.net>
Sent: Monday, June 1, 2020, 03:21:54 PM CDT
Subject: scan

Paula Malone
Ledbetter Water District
Ph. #270-898-3236 Fax# 270-898-3496

2 Files | 2.2MB



Scan0040.pdf
2MB



Scan0039.pdf
714kB

LEDBETTER WATER & SEWER DISTRICT

PO. Box 123 • Ledbetter, KY 42058 Phone: 270-898-3236

ACCOUNT		102249	4/24/20 - 5/22/20	
SERVICE AT		374 ANITA LANE 5		
CODE	PRESENT	PREVIOUS	USAGE	CHARGES
ARR	BAL FORWARD			120.16
CSH				-120.16
WAT	38460	32830	5630	46.19
SEW	38460	32830	5630	98.98
TXU	UTILITY TAX			1.39
ALL BUSINESS WILL BE CONDUCTED THROUGH DROP BOX UNTIL FURTHER NOTICE				
CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	PAY THIS AMOUNT	
R	146.56	6/15/20	146.56	

PRESORTED
FIRST CLASS MAIL
U.S. Postage Paid
Ledbetter, KY 42058
PERMIT NO. 9

RETURN SERVICE REQUESTED

RATES AVAILABLE UPON REQUEST

ACCOUNT		DUE DATE
102249		6/15/20
AMOUNT DUE AFTER DUE DATE	PENALTY AFTER DUE DATE	PAY THIS AMOUNT
146.56	.00	146.56
PLEASE RETURN THIS STUB WITH PAYMENT		

CHRISTY MARTIN
6565 OLD MAYFIELD RD
PADUCAH KY 42003

LEDBETTER WATER & SEWER DISTRICT

PO. Box 123 • Ledbetter, KY 42058 Phone: 270-898-3236

PRESORTED
FIRST CLASS MAIL
U.S. Postage Paid
Ledbetter, KY 42058
PERMIT NO. 9

ACCOUNT		105328	4/24/20 - 5/22/20	
SERVICE AT		415 MARY DRIVE 3		
CODE	PRESENT	PREVIOUS	USAGE	CHARGES
ARR	BAL FORWARD			56.17
CSH				-56.25
WAT	416880	414460	2420	24.27
SEW	416880	414460	2420	42.13
TXU	UTILITY TAX			.73
ALL BUSINESS WILL BE CONDUCTED THROUGH DROP BOX UNTIL FURTHER NOTICE				
CLASS	AMOUNT DUE AFTER DUE DATE	DUE DATE	PAY THIS AMOUNT	
R	67.05	6/15/20	67.05	

RETURN SERVICE REQUESTED

RATES AVAILABLE UPON REQUEST

ACCOUNT		DUE DATE
105328		6/15/20
AMOUNT DUE AFTER DUE DATE	PENALTY AFTER DUE DATE	PAY THIS AMOUNT
67.05	.00	67.05
PLEASE RETURN THIS STUB WITH PAYMENT		

AUDREY EDWARDS
15735 PLACIDA RD
VICTORVILLE CA 92394

EXHIBIT B
PWA FACTOR

Increased cost: 35,722.88 thousand gallons X \$2.83 = \$101,095.75

35,722.88 thousand gallons X \$3.08 = \$110,026.47

\$101,407.11 - \$92,448.88 = \$8,930.72

Purchased Water Adjustment Factor:

\$8,930.72 divided by 56,457.028 thousand gallons sold = \$0.158

Rounded to \$0.16

EXHIBIT C
RATE COMPARISON SCHEDULE

<u>ALL METER SIZES</u>	Ledbetter Water District <u>CURRENT RATES</u>	<u>PROPOSED RATE</u>
Customer Charge	\$7.74 Monthly Rate	\$7.74 Monthly Rate
First 25,000 gallons gallons	\$6.83 per 1,000 gallons	\$6.99 per 1,000
Over 25,000 gallons gallons	\$4.67 per 1,000 gallons	\$4.83 per 1,000

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

Name of Utility	Ledbetter Water District	
Date	May 15, 2020	
Address	PO Box 123	
City, State, Zip	Ledbetter, Kentucky	42058
Telephone Number	270-898-3236	
Email Address	ledbetterwaterdi@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
Crittenden-Livingston Water District	\$2.83 / 1000 gal.	\$3.08 / 1000 gal.

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	March 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
Crittenden-Livingston Water District	35,722,880
TOTAL PURCHASES	
4. Total gallons sold for the 12 month period	56,457,028
5. Increased water cost	\$8,930.72
<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	\$0.16
<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	May 23, 2020
	
Signature of Utility Officer	
Chairman	
Title	

5.5%



**KENTUCKY ASSOCIATION OF COUNTIES
LEASING TRUST**

400 Englewood Drive, Frankfort, KY 40601
502-223-7667 • 800-264-5226 • Fax 502-875-8240 • www.kaco.org

May 31, 2018

Ledbetter Sewer
Mr. Billy Downs
PO Box 123
Ledbetter, KY 42058

Re: Notice of Increase in Assumed Interest Rate

Dear Mr. Downs,

As you are aware, the Federal Reserve Board (the Board) has increased interest rates three times over the last year. Most experts believe that the Board will raise rates two more times during 2018 and that rates will continue to gradually increase through 2019 and beyond, as well.

In order to ensure that CoLT collects enough to pay the interest payments on your county's variable rate lease, the CoLT Board has voted, as allowed by the terms of your lease, to increase the assumed interest rate on your lease by 0.75% APR effective July 1, 2018. An amended amortization schedule for your lease is enclosed. As always, CoLT will rebate the difference between what you pay based on the assumed rate and the actual interest rate for your lease in the following fiscal year.

Thank you for being a valued participant in the CoLT program. We hope you will continue to rely on us for your future financing needs.

Sincerely,

Grant Satterly

BOARD OF TRUSTEES

Chair Sue Carole Perry
Shelby Co. Clerk

Vice-Chair J. Michael Foster
Christian Co. Attorney

Lynn Lane
Ballard Co. Clerk

Tommy Turner
LaRue Co. Judge/Executive

Amy H. Milliken
Warren Co. Attorney

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EXHIBIT A NOTICE

Notice is hereby given that the Ledbetter Water District seeks approval by the Public Service Commission, Frankfort, Kentucky, for an adjustment of rates for water service in the total amount of \$8,930.72 on an annual basis, which is an increase of approximately 1.87 percent. Ledbetter Water District requests the increase because of an increase in the rate that it pays Crittenden-Livingston Water District for purchased water. The proposed rates will take effect May 23, 2020.

ALL METER SIZES

Customer Charge
First 25,000 gallons
Over 25,000 gallons

CURRENT RATES
\$7.74 Monthly Rate
\$6.83 per 1,000 gallons
\$4.67 per 1,000 gallons

PROPOSED RATE
\$7.74 Monthly Rate
\$6.99 per 1,000 gallons
\$4.83 per 1,000 gallons

An average customer bill for 5,000 gallons usage will increase from \$41.89 to \$42.69 or 1.91%.

The rates in this notice are the rates proposed by the Ledbetter Water District; however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Notice is further given that any corporation, association, or person with a substantial interest in the matter may by written request within thirty (30) days after the publication of this notice, request to intervene in the matter before the Public Service Commission. Intervention may be granted beyond the thirty (30) day period for good cause shown. The request should be submitted to the Public Service Commission at its address shown below. Any person who has been granted intervention by the Commission may obtain copies, free of charge, of the application and testimony by contacting Ledbetter Water District at the address below. Any person may examine the rate application and any other filings made by Ledbetter Water District at its offices between 8:00 and 4:00 at the address below, or at the Public Service Commission between 8:00 and 4:30 at the address below.

Ledbetter Water District
1483 US 60 West
PO Box 123
Ledbetter, Kentucky 42058
Telephone: 270-898-3236

Public Service Commission
211 Sower Boulevard
PO Box 615
Frankfort, Kentucky 40602
Telephone: 502-564-3940

Persons may also view and download a copy of the rate application through the Public Service Commission & website at <http://psc.ky.gov>

Advertisement

EXHIBIT G

Wuetcher, Gerald

From: Bill Downs <ledbetterwaterdi@bellsouth.net>
Sent: Tuesday, October 19, 2021 10:47 AM
To: Wuetcher, Gerald
Subject: Fw: PSC SCAN
Attachments: Scan0008.pdf

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

----- Forwarded Message -----

From: Bill Downs <ledbetterwaterdi@bellsouth.net>
To: "jebpinney@ky.gov" <jebpinney@ky.gov>
Sent: Tuesday, March 9, 2021, 10:33:56 AM CST
Subject: Fw: PSC SCAN

im in process of doing our 2021 purchase water adjustment and realized that I never sent in rate sheet for psc to put the seal on it. we have charged the rates and are getting prepared for the next one which is last of three adjustments from crittinend Livingston. I am not sure how to proceed from this point. can some one call me at 270-508-0059 ALAN FOX. I HAVE ALSO SENT MESSAGE TO JASON GREEN.

----- Forwarded Message -----

From: Paula Malone <waterlwd@bellsouth.net>
To: Billy Downs <ledbetterwaterdi@bellsouth.net>
Sent: Monday, March 8, 2021, 10:22:46 AM CST
Subject: PSC SCAN

Paula Malone
Ledbetter Water District
Ph. #270-898-3236 Fax# 270-898-3496