

# Bath County Water District

POST OFFICE BOX 369  
SALT LICK, KENTUCKY 40371  
TELEPHONE: (606) 683-6363  
TDD/TTY 1-800-648-6056

February 28, 2022

Public Service Commission  
Tariff Review Branch  
Post Office Box 615  
Frankfort, Kentucky 40602-0615

RE: Purchase Water Adjustment

Bath County Water District is requesting a Purchase Water Adjustment because; Morehead Utility Plant Board has given Bath County Water District official notice of rate increases effective January 1, 2022. Notice of the rate increase was received from Morehead Utility Plant Board on February 24, 2022.

Bath County Water District forms request a proposed effective date of February 15, 2022 for service rendered on and after that date.

The following documents are enclosed:

1. Purchase Water Adjustment Form
2. Resolution #2022-1 Water Rate Increase
3. Legal Notice (to be published in paper before bills go out with increase)
4. Letters to Wholesale Customers, Sharpsburg Water District, City of Owingsville and City of Frenchburg, as notice of rate increase.
3. Tariff Sheets;
  - A. Tariff Sheet Monthly Water Rates
  - B. Tariff Sheet for Wholesale Water Rates, Bulk Rate and Leak Adjustments.
4. Notice from supplier showing increase and effective date;
  - A. Morehead Utility Plant Board

If you need additional information, or if you have any questions please call our office.

Thank you,



Sherri Greene  
Co-Manager

Enclosures

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

Name of Utility	Bath County Water District	
Date	February 28, 2022	
Address	PO Box 369	
City, State, Zip	Salt Lick, Kentucky	40371
Telephone Number	(606) 683-6363	
Email Address	sarahbcwd@gmail.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
Morehead Utility Plant Board	1.595 per 1,000	1.678 per 1,000
Morehead Utility Plant Board	Capitol Cost 19,054.48 per month	Capitol Cost 18,171.23 per month
Mt. Sterling Water	3.17per 1,000	3.17 per 1,000

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	February 1, 2021	through	January 31, 2022
	(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
Morehead Utility Plant Board	433,091,000
Mt. Sterling Water	19,359,000
<b>TOTAL PURCHASES</b>	452,450,000
4. Total gallons sold for the 12 month period	419,117,000
5. Increased water cost	25,347.55
<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	.06
<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	February 15, 2022
Signature of Utility Officer	
Chairperson	
Title	

## RESOLUTION #2022-1

### Water Rate Increase

A Resolution of the Bath County Water District approving a monthly rate increase of .06 per 1,000 gallon for services rendered on and after February 15, 2022.

The Bath County Water District received notice from Morehead Utility Plant Board of a rate increase effective for the year of 2022. The Board of Commissioners approved the rate increase at the regular Monthly meeting on February 28, 2022.

A motion was made by Commissioner Jeanette Walton and second by Commissioner Mike Ginter, to increase rates .06 cents per 1,000 gallon effective for services rendered on and after February 15, 2022 motion carried all in favor.

Rodney Deaton  
Chairperson

Jeanette Walton  
Secretary

ATTEST: Sherril Greene

## LEGAL NOTICE

Due to a rate increase from the Morehead Utility Plant Board, notice is hereby given that the Bath County Water District has filed an Application for a Purchased Water Adjustment with the Kentucky Public Service Commission for the purpose of adjusting its water rates. Customer rates will increase by \$.06 per 1,000 gallons used. The proposed change will be effective for all services rendered on and after February 15, 2022.

<u>Monthly Rate:</u>	<u>Current</u>	<u>Proposed</u>	<u>% Increase</u>
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**5/8 Inch X 3/4 Inch Meter:**

First 2,000 Gallons	\$ 16.78	\$ 16.90	0.7%
Next 3,000 Gallons	6.54	6.60	0.9%
Next 5,000 Gallons	5.11	5.17	1.2%
Next 10,000 Gallons	4.45	4.51	1.3%
Next 30,000 Gallons	4.23	4.29	1.4%
Next 50,000 Gallons	4.11	4.17	1.5%

**1 Inch Meter:**

First 10,000 Gallons	\$ 61.95	\$ 62.55	0.9%
Next 10,000 Gallons	4.45	4.51	1.3%
Next 30,000 Gallons	4.23	4.29	1.4%
Over 50,000 Gallons	4.11	4.17	1.5%

**2 Inch Meter:**

First 50,000 Gallons	\$ 233.35	\$ 236.35	1.3%
Over 50,000 Gallons	4.11	4.17	1.5%

**Bulk Sales**

Per 1,000 Gallons	\$ 8.90	\$ 8.96	0.7%
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The monthly bill for a customer using an average of 5,000 gallons per month will increase \$0.30 from \$36.40 to \$36.70 or 0.8%.

The rates contained in this Notice are the rates proposed by Bath County Water District. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates included in this notice.

Bath County Water District has available for inspection at its office the application submitted to the Public Service Commission. The office is located at 21 Church Street in Salt Lick, Kentucky. Bath County Water District.

# Bath County Water District

POST OFFICE BOX 369  
SALT LICK, KENTUCKY 40371  
TELEPHONE: (606) 683-6363  
TDD/TTY 1-800-648-6056

February 28, 2022

Ms. Gayle Haney  
Sharpsburg Water District  
Post Office Box 248  
Sharpsburg, Kentucky 40374

Re: Adjustment of Wholesale Water Rate

Dear Gayle:

Due to a rate increase from the Morehead Utility Plant Board, please accept this as formal notice that the Bath County Water District has filed an Application for a Purchased Water Adjustment with the Public Service Commission for the purpose of adjusting its water rates. The new proposed wholesale rate will be \$3.88 per 1,000 gallons purchased. This proposed change will be effective for all service rendered on and after February 15, 2022.

Current Rate	Proposed Rate
\$3.82	\$3.88

The rate in this notice is the rate proposed by the Bath County Water District. However, the Public Service Commission may order rates to be charged that differ from this rate. Such action may result in rates other than the rate included in this notice.

The application submitted to the Public Service Commission is on file in our office and is available for your inspection.

If you have questions or need additional information please call our office.

Sincerely,



Sherri Greene  
Co-Manager

# Bath County Water District

POST OFFICE BOX 369  
SALT LICK, KENTUCKY 40371  
TELEPHONE: (606) 683-6363  
TDD/TTY 1-800-648-6056

February 28, 2022

Mayor Gary Hunt  
City of Owingsville  
Post Office Box 639  
Owingsville, Kentucky 40360

Re: Adjustment of Wholesale Water Rate

Due to a rate increase from the Morehead Utility Plant Board, please accept this as formal notice that the Bath County Water District has filed an Application for a Purchased Water Adjustment with the Public Service Commission for the purpose of adjusting its water rates. The new proposed wholesale rate will be \$3.02 per 1,000 gallons purchased. This proposed change will be effective for all service rendered on and after February 15, 2022.

Monthly Debt Service Payment \$4,733.91 Minimum Bill Plus

Current Rate	Proposed Rate
\$2.96 per 1,000 gallons	\$3.02 per 1,000 gallons

The rate in this notice is the rate proposed by the Bath County Water District. However, the Public Service Commission may order rates to be charged that differ from this rate. Such action may result in rates other than the rate included in this notice.

The application submitted to the Public Service Commission is on file in our office and is available for your inspection.

If you have questions or need additional information please call our office.

Sincerely,



Sherri Greene  
Co-Manager

# Bath County Water District

POST OFFICE BOX 369  
SALT LICK, KENTUCKY 40371  
TELEPHONE: (606) 683-6363  
TDD/TTY 1-800-648-6056

February 28, 2022

Mayor Eddie Bryant  
City of Frenchburg  
Post Office Box 113  
Frenchburg, Kentucky 40322

Re: Adjustment to Wholesale Water Rate

Dear Mayor Bryant:

Due to a rate increase from the City of Morehead, please accept this as formal notice that the Bath County Water District has filed an Application for a Purchased Water Adjustment with the Public Service Commission for the purpose of adjusting its water rates. The new wholesale rate will be \$3.43 per 1,000 gallons purchased. This proposed change will be effective for all service rendered on and after February 15, 2022.

Current Rate	Proposed Rate
\$3.37 Per 1,000 gallons	\$3.43 Per 1,000 gallons

The rate in this notice is the rate proposed by the Bath County Water District. However, the Public Service Commission may order rates to be charged that differ from this rate. Such action may result in rates other than the rate included in this notice.

The application submitted to the Public Service Commission is on file in our office and is available for your inspection.

If you have questions or desire additional information please call our office.

Sincerely,



Sherri Greene  
Co-Manager



FOR All territories served  
Community, Town or City

P.S.C. KY. NO. 1

SHEET NO. 4

CANCELLING P.S.C. KY. NO. 1

SHEET NO. 4

Bath County Water District  
(Name of Utility)

RATES AND CHARGES

A. MONTHLY WATER RATES:

5/8 Inch x 3/4 Inch Meter

First	2,000 Gallons	\$16.90	Minimum Bill
Next	3,000 Gallons	.00660	Per Gallon
Next	5,000 Gallons	.00517	Per Gallon
Next	10,000 Gallons	.00451	Per Gallon
Next	30,000 Gallons	.00429	Per Gallon
Over	50,000 Gallons	.00417	Per Gallon

1 Inch Meter

First	10,000 Gallons	\$62.55	Minimum Bill
Next	10,000 Gallons	.00451	Per Gallon
Next	30,000 Gallons	.00429	Per Gallon
Over	50,000 Gallons	.00419	Per Gallon

2 Inch Meter

First	50,000 Gallons	\$236.35	Minimum Bill
Over	50,000 Gallons	.00417	Per Gallon

(I)



DATE OF ISSUE 2/28/2022  
Month / Date / Year

DATE EFFECTIVE 2/15/2022  
Month / Date / Year

ISSUED BY Rodney D. ...  
(Signature of Officer)

TITLE Chairperson

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

FOR All territories served  
Community, Town or City

P.S.C. KY. NO. 1

SHEET NO. 9

Bath County Water District  
(Name of Utility)

CANCELLING P.S.C. KY. NO. 1

SHEET NO. 9

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RATES AND CHARGES

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F. LEAK ADJUSTMENT RATE: .00340 Per Gallon (I)

G. WHOLESALE WATER RATES:

Sharpsburg Water District .00388 Per Gallon (I)

City of Frenchburg .00343 Per Gallon (I)

City of Owingsville  
Monthly debt service payment \$4,733.91 Minimum Bill  
All Usage .00302 Per Gallon (I)

Bulk Sales .00896 Per Gallon (I)

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DATE OF ISSUE 2/28/2022  
Month / Date / Year

DATE EFFECTIVE 2/15/2022  
Month / Date / Year

ISSUED BY Rodney Dove Thau  
(Signature of Officer)

TITLE Chairperson

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



# MOREHEAD UTILITY PLANT BOARD

*Serving You Over 50 Years*

February 11, 2022

Ms. Sherry Green  
Bath County Water  
PO Box 369  
Salt Lick KY 40371

Re: Water Rates for 2022

Dear Ms. Green:

Attached for your information and review are copies of our accountant's letter and his computation of the cost for water we will furnish to you during calendar year 2022.

Should you have any questions or desire additional information regarding this computation please advise.

Sincerely,

A handwritten signature in black ink that reads "Benita Hammonds". The signature is fluid and cursive.

Benita Hammonds  
Director of Administration

Enclosures

January 31, 2022

Holly McGrath-Rosas  
Morehead Utility Plant Board  
Morehead, KY 40351

Dear Holly,

Please find attached the final reports for 2022 water rates for Rowan and Bath water which can be forwarded to Rowan and Bath water.

Following are a summary of observations regarding the change in the rates:

- Overall gallons of water billed slightly increased (2%)
- There was an increase in water operating expenses of about 2.6% with about 26% increase in administrative costs. The administrative costs reflect additional payroll with related benefits, but also a significant amount of the unfunded pension audit adjustment is recorded in the administrative costs as well.
- With constant billed gallons and an increase in both water utility operating expenses and general/administrative expense, the overall per 1,000 gallons rate increased by 8.3 cents which is overall a 5.2% per thousand-gallon increase which would appear to be reasonable.
- Rowan and Bath Water experienced increases in billed gallons of 6.1% and 1.7% respectively while MUPB's billed gallons decreased 3.3%.

Combining these changes resulted in an increase in the per thousand gallon charge for water from \$1.595 per 1,000 gallons to \$1.678 per 1,000 gallons (5.2%). The increase in the per 1,000 charge should result in additional combined revenue from both Rowan and Bath water of about \$91,000. Rowan and Bath Water combined account for about 70% of the total billed gallons in FYE 6/30/21. In addition to the change in the per thousand gallon rate for the current year, the fixed charges were adjusted as follows:

- There was one debt service payment that matured as of December 2021 and has been reduced by \$3,378.78 and \$1,822.25 respectively for Rowan and Bath Water.
- The unfunded capital expenditure monthly payment increased to \$4,774.33 and \$3,649.19 respectively.
- Overall there is a net reduction of the monthly capital costs of \$3,033.49 which will offset the increased revenue listed above in the amount of about \$36,000 for the year.

If you need any additional information, please contact us at your convenience.

Sincerely,

*Baldwin CPAs, PLLC*  
Baldwin CPAs, PLLC

MUPB  
WATER CONTRACT VARIABLE RATE SCHEDULE PER INTERLOCAL AGREEMENT  
CALENDAR YEAR 2022 RATE CALCULATION

1. Cash Operation and Maintenance Expense	(a)		(b)	equals	Rate per 1,000 gals.
	Amount x	Percent /	Total Billed Gals (1,000's)		
Water Utility Operating Expense	2,713,063	74%	1,557,783	equals	1.289
General & Admin Expense	2,018,577	30%	1,557,783	equals	0.389
<b>Total rate per 1,000 gallons to Rowan and Bath Water</b>					<b>1.678</b>

2. Capital Cost including Part C meter and billing charges

<u>Part A</u>	<u>Rowan</u>	<u>Bath</u>
Fixed Capital Charge per Month to Dec 2021 From Original 1979 Water Contract - completed	0.00	0.00
Raw Water Intake Capital Charge to Dec 2023	1,370.60	584.13
Sludge Dewatering Project:		
Debt Service to Dec 2013-completed	0.00	0.00
Debt Reserve to June 2001 - completed	0.00	0.00
[c] Additional Unfunded Capital Expenditures adjusted annually 161,992.28 divided by 12	35.3671% Rowan 27.0323% Bath	4,774.33 3,649.19
<u>Part B</u>		
Fixed Capital Charge per Month-adjusted Jan 2024	17,662.36	13,927.91
Debt Reserve to Dec 2013-completed	0.00	0.00
<b>Total Monthly Capital Cost</b>	<b>23,807.29</b>	<b>18,161.23</b>
<u>Part C</u>		
Monthly Charge (\$10.00 per meter)	<b>70.00</b>	<b>10.00</b>

- (a) Expense amounts taken from the annual audited financial statements
- (b) Water Consumption (billed gallons) furnished by the Morehead Utility Plant Board
- (c) Represents annual depreciation expense amounts for unfunded capital expenditures



January 31, 2022

Holly McGrath Rosas  
Morehead Utility Plant Board  
135 South Wilson Avenue  
Morehead, KY 40351

Dear Ms. McGrath Rosas:

Pursuant to the Interlocal Agreement between The City of Morehead, Morehead Utility Plant Board, Rowan Water Incorporated and Bath County Water District, it has been determined that the wholesale rate for water sold by you to Rowan Water, Inc. and the Bath County Water District in calendar year 2022 shall be as follows:

	Rowan Water Incorporated	Bath County Water District
Monthly Capital Costs	\$ 23,807.29	\$ 18,161.23
Meter and Billing Charges \$ 10.00 per meter	\$70.00	\$10.00
Per Thousand Gallons of Water Sold	\$1.678	\$1.678

Please see detailed schedule attached. If we can be of further assistance, please feel free to contact us at any time.

Sincerely,

*Baldwin CPAs, PLLC*  
Baldwin CPAs, PLLC

		<b>New</b>	<b>Old</b>	<b>Diffrence</b>
MUPB	Capitol Cost	\$18,171.23	\$19,054.48	-\$10,599.00
MUPB	Rate per 1,000	\$1.678	\$1.595	
MUPB	Purchases 12 months	433,091	433,091	
		\$726,726.70	\$690,780.15	\$35,946.55
Mt. Sterling	Rate per 1,000	\$3.17	\$3.17	
Mt. Sterling	Purchases 12 months	19,359	19,359	
		\$61,368.03	\$61,368.03	\$0.00
			<b>Total \$ Increase</b>	\$25,347.55
	Total Sold 12 months	419,117 PWA factor		\$0.060

DATE	MUPB USAGE	MT. STER USAGE	MUPB OLD RATE \$\$	MUPB NEW RATE \$\$	MT STERLING OLD RATE \$\$	MT STERLING NEW RATE \$\$
February-21	34,048	1251	73,361.04	75,303.77	3,965.67	3,965.67
March-21	34,772	1597	74,515.82	76,518.65	5,062.49	5,062.49
April-21	35,494	1286	75,667.41	77,730.16	4,076.62	4,076.62
May-21	34,792	1518	74,547.72	76,552.21	4,812.06	4,812.06
June-21	32,744	1645	71,281.16	73,115.66	5,214.65	5,214.65
July-21	37,476	1951	78,828.70	81,055.96	6,184.67	6,184.67
August-21	37,433	1689	78,760.12	80,983.80	5,354.13	5,354.13
September-21	37,233	1697	78,441.12	80,648.20	5,379.49	5,379.49
October-21	36,723	1477	77,627.67	79,792.42	4,682.09	4,682.09
November-21	38,553	1692	80,546.52	82,863.16	5,363.64	5,363.64
December-21	34,902	1699	74,723.17	76,736.79	5,385.83	5,385.83
January-22	38,921	1857	81,133.48	83,480.67	5,886.69	5,886.69
<b>TOTALS</b>	<b>433,091</b>	<b>19,359</b>	<b>919,433.91</b>	<b>944,781.46</b>	<b>61,368.03</b>	<b>61,368.03</b>
<b>TOTAL GALLONS PURCHASED</b>		<b>452,450</b>	<b>\$\$DIFFERENCE</b>	<b>\$25,347.55</b>		<b>\$0.00</b>
			<b>Purchase water difference</b>		<b>\$25,347.55</b>	
<b>GALLONS SOLD FROM BILLING</b>		<b>419,117</b>	<b>Purchase water adj factr</b>	<b>\$0.060</b>		







BATH COUNTY WATER DISTRICT

Usage Summary/Detail

For Cycle: Cycle 1  
 For Period: 2/1/2021 - 1/31/2022  
 Service Type: WATER  
 Subtotal by: Customer Type

Description	Customer Count	Service Month Count	Service Month Average	Usage	Customer Average	Amount
Customer Type: Commercial	93	1,035	10,457	10,823,000	116,376	\$65,237.87
Customer Type: Industrial	7	84	4,131	347,000	49,571	\$2,648.50
Customer Type: Other	10	111	73,775	8,189,000	818,900	\$3,222.21
Customer Type: PublicGovt	4	48	4,447,771	213,493,000	53,373,250	\$756,091.38
Customer Type: Residential	4,356	47,405	3,929	186,265,000	42,761	\$1,426,980.44
Grand Total	4,470	48,683	8,609	419,117,000	93,762	\$2,254,180.40