

U.S. 60 Water District

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

July 20, 2022

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 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 \$0.06 per 1000 gallons. This increase was effective on July 19, 2022. The result of this increase is \$8,849.16 in additional annual supply cost for the District. This translates into \$0.07 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	7/20/2022	
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: \$2.29	Rate per 1000 gallons: \$2.35
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	May 2021	through	April 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
Shelbyville Municipal Water & Sewer Commission	147,486,000
Frankfort Electric & Water Plant Board	30,096,100
TOTAL PURCHASES	177,582,100

4. Total sales for the 12 month period 145,270,400

5. Increased water cost \$8,849.16

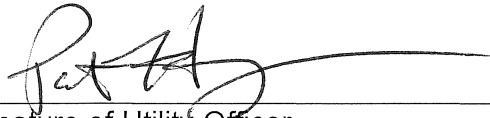
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.

6. Purchased water adjustment factor \$0.07

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, 2022



Signature of Utility Officer

Chairman

Title

Increased Water Cost Calculation:

Shelbyville Municipal Water & Sewer Commission

$$(147,486.00 \times \$2.35) = \$346,592.10$$

$$(147,486.00 \times \$2.29) = \$337,742.94$$

Increased Water Cost = \$8,849.16

Purchased Water Adjustment Factor Calculation:

$$\text{Increased Cost of Water} = \$8,849.16$$

$$\text{Total Gallons Sold} = 145,270,400$$

$$\begin{aligned} \$8,849.16 / 145,270.40 &= \$0.06091 \text{ per 1000 Gallons} \\ &= \$0.07 \text{ per 1000 Gallons} \end{aligned}$$

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. This ordinance allowed the Commission to do annual increases of 2.5% annually to all water and sewer customers. The SMW&SC 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 July 19, 2022. The proposed rates are as follows:

CURRENT RATE	PROPOSED RATE	\$ Change	% Change
\$2.29/1,000 gallons	\$2.35/1,000 gallons	\$0.06/gallon	2.5% increase

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

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 (July 19, 2022) 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.

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

SHELBYVILLE MUNICIPAL WATER & SEWER COMMISSION

Month	Usage/Gallons	Total Cost
May 2021	11,317,000	\$25,915.93
June	19,186,000	\$48,124.94
July	13,870,000	\$31,765.30
August	16,249,000	\$38,459.21
September	13,756,000	\$31,504.24
October	12,402,000	\$28,400.58
November	9,335,000	\$21,377.15
December	6,510,000	\$14,907.90
January	8,538,000	\$19,552.02
February	11,059,000	\$25,325.11
March	12,203,000	\$27,944.87
April 2022	13,061,000	\$29,909.69
TOTAL	147,486,000	\$343,186.94

FRANKFORT ELECTRIC & WATER PLANT BOARD

Month	Usage/Gallons	Total Cost
May 2021	940,200	\$2,670.18
June	1,019,300	\$2,894.82
July	1,167,600	\$3,315.99
August	972,600	\$2,762.18
September	1,074,800	\$3,052.45
October	1,169,100	\$3,320.25
November	777,300	\$2,207.54
December	6,693,500	\$19,119.92
January	5,992,600	\$17,013.99
February	5,699,300	\$16,186.02
March	3,693,800	\$10,490.41
April 2022	896,000	\$2,544.64
TOTAL	30,096,100	\$85,578.39

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

Month	Residential	Commercial	Other	Total Gallons Sold
May 2021	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	11,098,500	1,237,300	151,100	12,486,900
February	9,313,200	878,900	107,000	10,299,100
March	8,850,800	875,300	155,700	9,881,800
April 2022	9,290,300	1,150,200	124,400	10,564,900
TOTAL	131,526,000	12,182,100	1,562,300	145,270,400

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 August 1, 2022. An application requesting the proposed rates was filed with the Kentucky Public Service Commission on July 20, 2022 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	\$17.21 Minimum Bill	\$17.28 Minimum Bill	\$0.07	0.41%
Next 2,000 gallons	\$0.00954 per gallon	\$0.00961 per gallon	\$0.00007	0.73%
Next 2,000 gallons	\$0.00807 per gallon	\$0.00814 per gallon	\$0.00007	0.87%
Over 5,000 gallons	\$0.00732 per gallon	\$0.00739 per gallon	\$0.00007	0.96%
<u>1" Meters:</u>				
First 5,000 gallons	\$52.37 Minimum Bill	\$52.72 Minimum Bill	\$0.35	0.67%
Over 5,000 gallons	\$0.00732 per gallon	\$0.00739 per gallon	\$0.00007	0.96%
<u>1 1/2" Meters:</u>				
First 15,000 gallons	\$125.57 Minimum Bill	\$126.62 Minimum Bill	\$1.05	0.84%
Over 15,000 gallons	\$0.00732 per gallon	\$0.00739 per gallon	\$0.00007	0.96%
<u>2" Meters:</u>				
First 25,000 gallons	\$198.77 Minimum Bill	\$200.52 Minimum Bill	\$1.75	0.88%
Over 25,000 gallons	\$0.00732 per gallon	\$0.00739 per gallon	\$0.00007	0.96%
<u>Bulk User Rate:</u>				
First 1,000 gallons	\$4.35 Minimum Bill	\$4.42 Minimum Bill	\$0.07	1.61%
Over 1,000 gallons	\$0.00435 per gallon	\$0.00442 per gallon	\$0.00007	1.61%
<u>Wholesale Water Rates:</u>				
First 25,000 gallons	\$168.03 Minimum Bill	\$169.78 Minimum Bill	\$1.75	1.04%
Over 25,000 gallons	\$0.00619 per gallon	\$0.00626 per gallon	\$0.00007	1.13%

As noted above, based on the increased cost of water from the Shelbyville Municipal Water & Sewer Commission, all rates will increase \$0.07 per 1,000 gallons. The monthly bill for a customer using an average of 4,792 gallons of water each month will increase from \$50.75 to \$51.09. This is an increase of \$0.34 or 0.67%.

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

FOR ALL AREAS SERVED

P.S.C. KY. NO. 3

6th REVISED SHEET NO. 1

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

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

5th REVISED SHEET NO. 1

RATES AND CHARGES

MONTHLY RATES:

5/8 x 3/4 Inch Meters:

First	1,000 gallons	\$17.28 Minimum Bill
Next	2,000 gallons	\$0.00961 per gallon
Next	2,000 gallons	\$0.00814 per gallon
Over	5,000 gallons	\$0.00739 per gallon

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1 Inch Meters:

First	5,000 gallons	\$52.72 Minimum Bill
Over	5,000 gallons	\$0.00739 per gallon

1 1/2 Inch Meters:

First	15,000 gallons	\$126.62 Minimum Bill
Over	15,000 gallons	\$0.00739 per gallon

2 Inch Meters:

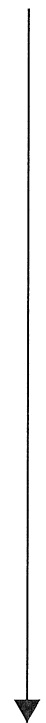
First	25,000 gallons	\$200.52 Minimum Bill
Over	25,000 gallons	\$0.00739 per gallon

Bulk User Rate:

First	1,000 gallons	\$4.42 Minimum Bill
Over	1,000 gallons	\$0.00442 per gallon

Wholesale Water Rates:

First	25,000 gallons	\$169.78 Minimum Bill
Over	25,000 gallons	\$0.00626 per gallon



DATE OF ISSUE July 20, 2022
Month / Date / Year

DATE EFFECTIVE August 1, 2022
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 July 19, 2022. 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 20, 2022. The rates proposed therein shall become effective for service rendered on or after August 1, 2022.

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 19th day of July 2022.

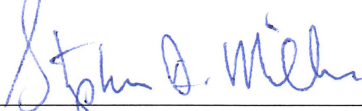
Ordered this 19th day of July 2022.

Signed:



Pat Hargadon, Chairman

Attest:



Stephen Miller, Secretary