

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF RATTLESNAKE RIDGE)
WATER DISTRICT FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND)
NECESSITY TO CONSTRUCT A SYSTEM) Case No. 2022 - 00426
IMPROVEMENTS PROJECT AND AN ORDER)
APPROVING A CHANGE IN RATES AND)
AUTHORIZING THE ISSUANCE OF SECURITIES)
PURSUANT TO KRS 278.023)

RESPONSE TO FILING DEFICIENCIES

The Rattlesnake Ridge Water District (the "District"), by counsel, hereby files its Response to the Commission Staff's Filing Deficiencies, dated January 12, 2023, as follows:

Deficiency No. 1. 807 KAR 5:069 Section 3(4)(a): Provided Notice does not contain an effective date for the proposed rates nor contain information to calculate thirty days, as referenced in the Notice.

Response No. 1. Attached hereto is a revised Notice of Proposed Rate Change which includes the effective date of the proposed rate change. The revised Notice is being published in the newspapers of general circulation in the District's service area. Affidavits of publication and tearsheets shall be filed with the Commission as soon as same are available.

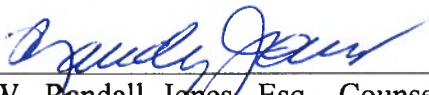
Deficiency No. 2. 807 KAR 5:069 Section 3(1)(b): Case information is not listed on utility website.

Response No. 2. The District has posted the revised Notice and a hyperlink to the case documents on its website (<http://rrwdwater.org>).

The undersigned has prepared this Response as Counsel to and on behalf of the Rattlesnake Ridge Water District, a governmental agency, and hereby certifies that this Response is true and accurate to the best of the undersign's knowledge, information and belief formed after a reasonable inquiry.

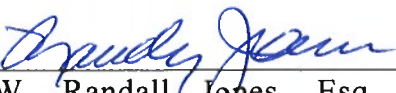
Respectfully Submitted:

Rubin & Hays

By 
W. Randall Jones, Esq., Counsel for the
Rattlesnake Ridge Water District
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
Telephone: (502) 569-7534
Fax: (502) 569-7555
Email: wrjones@rubinhays.com

CERTIFICATE OF SERVICE

The undersigned, in accordance with 807 KAR 5:001, Section 8, hereby certifies that Rattlesnake Ridge Water District's foregoing Response is a true and accurate copy that was electronic transmitted to the Kentucky Public Service Commission on January 17, 2023; that there are currently no parties that the Kentucky Public Service Commission has excused from participation by electronic means in this proceeding.


W. Randall Jones, Esq., Counsel for
Rattlesnake Ridge Water District
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
Phone: (502) 569-7534
Fax: (502) 569-7555
Email: wrjones@rubinhays.com

NOTICE OF PROPOSED RATE CHANGE

On or about January 9, 2023, Rattlesnake Ridge Water District (the "District") filed an Application with the Kentucky Public Service Commission ("PSC") pursuant to KRS 278.023 requesting approval of an increase in its rates for water service. The changes in water rates are required by the U.S. Department of Agriculture, acting through Rural Development ("RD") in connection with a loan by RD to the District in the principal amount of \$1,906,000 to be evidenced by the issuance by the District of its waterworks revenue bonds in such amount, which RD has agreed to purchase provided the District meets certain conditions of RD, including revising the water rates as set forth below:

Current Monthly Water Rates

5/8" x 3/4" Meter

First 1,000 gallons
Next 4,000 gallons
Next 5,000 gallons
Next 10,000 gallons
Next 20,000 gallons
Over 40,000 gallons

Monthly Rate

\$19.32 Minimum Bill
\$14.40 per 1000 gallons
\$12.40 per 1000 gallons
\$11.10 per 1000 gallons
\$7.90 per 1000 gallons
\$6.30 per 1000 gallons

3/4" Meter

First 5,000 gallons
Next 5,000 gallons
Next 10,000 gallons
Next 20,000 gallons
Over 40,000 gallons

Monthly Rate

\$76.92 Minimum Bill
\$12.40 per 1000 gallons
\$11.10 per 1000 gallons
\$7.90 per 1000 gallons
\$6.30 per 1000 gallons

1" Meter

First 10,000 gallons
Next 10,000 gallons
Next 20,000 gallons
Over 40,000 gallons

Monthly Rate

\$138.92 Minimum Bill
\$11.10 per 1000 gallons
\$7.90 per 1000 gallons
\$6.30 per 1000 gallons

1.5" Meter

First 30,000 gallons
Next 10,000 gallons
Over 40,000 gallons

Monthly Rate

\$328.92 Minimum Bill
\$7.90 per 1000 gallons
\$6.30 per 1000 gallons

2" Meter

First 50,000 gallons
Over 50,000 gallons

Monthly Rate

\$470.92 Minimum Bill
\$6.30 per 1000 gallons

3" Meter

First 100,000 gallons
Over 100,000 gallons

Monthly Rate

\$785.92 Minimum Bill
\$6.30 per 1000 gallons

4" Meter

First 200,000 gallons
Over 200,000 gallons

Monthly Rate

\$1415.92 Minimum Bill
\$6.30 per 1000 gallons

6" Meter

First 500,000 gallons
Over 500,000 gallons

Monthly Rate

\$3305.92 Minimum Bill
\$6.30 per 1000 gallons

Wholesale Rate

Big Sandy WD
City of Grayson
City of Vanceburg

\$4.30 per 1,000 gallons
\$4.30 per 1,000 gallons
\$3.82 per 1,000 gallons

Wholesale Rate (Emergency)

City of Olive Hill
KY Dept. of Parks (Golf Course)
Sandy Hook WD
 First 50,000 gallons
 Over 50,000 gallons

\$4.30 per 1,000 gallons
\$4.63 per 1,000 gallons

\$145.15
\$2.90

Proposed Monthly Water Rates**5/8" x 3/4" Meter**

First 1,000 gallons
Next 4,000 gallons
Next 5,000 gallons
Next 10,000 gallons
Next 20,000 gallons
Over 40,000 gallons

Monthly Rate

\$20.48 Minimum Bill
\$15.26
\$13.14
\$11.77
\$8.37
\$6.68

Dollar Amount of Change

\$1.16
\$0.86
\$0.74
\$0.67
\$0.47
\$0.38

Percentage Change

6%
6%
6%
6%
6%
6%

3/4" Meter

First 5,000 gallons
Next 5,000 gallons
Next 10,000 gallons
Next 20,000 gallons
Over 40,000 gallons

Monthly Rate

\$81.54
\$13.14
\$11.77
\$8.37
\$6.68

\$4.62
\$0.74
\$0.67
\$0.47
\$0.38

6%
6%
6%
6%
6%

1" Meter

First 10,000 gallons
Next 10,000 gallons
Next 20,000 gallons
Over 40,000 gallons

Monthly Rate

\$147.26
\$11.77
\$8.37
\$6.68

\$8.34
\$0.67
\$0.47
\$0.38

6%
6%
6%
6%

1.5" Meter

First 30,000 gallons
Next 10,000 gallons
Over 40,000 gallons

Monthly Rate

\$348.66
\$8.37
\$6.68

\$19.74
\$0.47
\$0.38

6%
6%
6%

<u>2" Meter</u>			
First 50,000 gallons	<u>Monthly Rate</u>		
Over 50,000 gallons	\$499.18	\$28.26	6%
	\$6.68	\$0.38	6%
<u>3" Meter</u>			
First 100,000 gallons	<u>Monthly Rate</u>		
Over 100,000 gallons	\$833.08	\$47.16	6%
	\$6.68	\$0.38	6%
<u>4" Meter</u>			
First 200,000 gallons	<u>Monthly Rate</u>		
Over 200,000 gallons	\$1500.88	\$84.26	6%
	\$6.68	\$0.38	6%
<u>6" Meter</u>			
First 500,000 gallons	<u>Monthly Rate</u>		
Over 500,000 gallons	\$3504.28	\$198.36	6%
	\$6.68	\$0.38	6%
<u>Wholesale Rate</u>			
Big Sandy WD	\$4.56 per 1000 gallons	\$0.26	6%
City of Grayson	\$4.56 per 1000 gallons	\$0.26	6%
City of Vanceburg	\$4.05 per 1000 gallons	\$0.23	6%
<u>Wholesale Rate (Emergency)</u>			
City of Olive Hill	\$4.56 per 1000 gallons	\$0.26	6%
KY Dept. of Parks (Golf)	\$4.91 per 1000 gallons	\$0.28	6%
Sandy Hook WD			
First 50,000 gallons	\$153.86 (Monthly Rate)	\$8.71	6%
Over 50,000 gallons	\$3.07 (Monthly Rate)	\$0.17	6%

Customer Class	Average Monthly Usage Per Customer (Gallons)	Average Monthly Bill (Present Rates)	Average Monthly Bill (Proposed Rates)	Increase in Average Monthly Bill (\$)	Increase in Average Monthly Bill (%)
5/8" x 3/4" Meter	5,000	\$76.92	\$81.52	\$4.60	6%
3/4" Meter	5,000	\$76.92	\$81.54	\$4.62	6%
1" Meter	10,000	\$138.92	\$147.26	\$8.34	6%
1.5" Meter	30,000	\$328.92	\$348.66	\$19.74	6%
2.0" Meter	50,000	\$470.92	\$499.18	28.26	6%
3.0" Meter	100,000	\$785.92	\$833.08	47.16	6%
4.0" Meter	200,000	\$1415.92	\$1500.88	84.96	6%
6.0" Meter	500,000	\$3305.92	\$3504.28	\$198.36	6%

The proposed monthly water rates shall be effective for water sold after the date of the final approving Order of the PSC, which Order is expected to be issued no later than 30 days of the filing of the Application and the meeting of the minimum filing requirements. Such date is expected to be on or about February 17, 2023. The Application for approval of the rate change has been filed with the PSC and may be examined during normal business hours at the following locations: (i) Rattlesnake Ridge Water District Office, 5302 KY 7, Grayson, KY 41143; (ii) PSC, 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., E.T.; and (iii) via the PSC website at <http://psc.ky.gov>. Comments regarding the Application may be submitted to the PSC via its website or by mail to PSC, P.O. Box 615, Frankfort, Kentucky 40602.

The proposed rates are required under the terms of an agreement between the District and RD and KRS 278.023 does not grant the PSC any discretionary authority to modify or reject any portion of the agreement between the District and RD, or to defer the issuance of all necessary orders to implement the terms of the agreement. The RD loan proceeds will be used to finance the costs of the installation of 4000 new radio read meters, 9 system wide master meter vaults, replacement of 700 problematic service lines and meter assemblies, and approximately 14,500 LF of new water main extensions.

Signed: Bill Gilbert, Chairman, Rattlesnake Ridge Water District.