

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

Name of Utility	Powells Valley Water District		
Date	October 15, 2022		
Address	31 Adams Ridge Road		
City, State, Zip	Clay City, KY	40312	
Telephone Number	606 663 5870		
Email Address	kendell.knox@pwwd.org		

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
Beech Fork Water Commission	\$2.732	\$3.279

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	November, 2021	through	October, 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
Beech Fork Water Commission	161,705,000
TOTAL PURCHASES	161,705,000
4. Total gallons sold for the 12 month period	114,320,260
5. Increased water cost	\$88,468.81
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	
6. Purchased water adjustment factor	\$0.774
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.	
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	January 1, 2023
Signature of Utility Officer	
Title	

RESOLUTION 1222022
OF THE
POWELLS VALLEY WATER DISTRICT
BOARD OF COMMISSIONERS

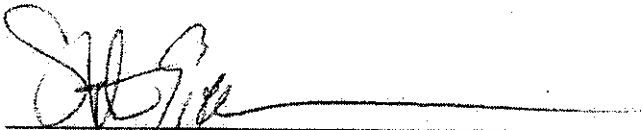
WHEREAS, the Powells Valley Water District (PVWD) charges for installation of a water service meter and associated facilities in accordance with their tariff and;

WHEREAS, PVWD has experienced substantial increases in the expenses associated with the water service tap installations including but not limited to increases in material, labor and transportation costs and;

NOW, THEREFORE BE IT RESOLVED by the PVWD Board of Commissioners that the attached Nonrecurring Tap Fee Charge Adjustment in accordance with the requirements of the Kentucky Public Service Commission and the Commonwealth of Kentucky, be approved and implemented as of January 1, 2023.


ADOPTED this 12 day of December, 2022.

POWELLS VALLEY WATER DISTRICT



CHAIRMAN

ATTEST:



SECRETARY

A. Notice of Increased Rates from Beach Fork Water Commission

B. SCOTT GRAHAM

Attorney at Law

331 East College Avenue, P.O. Box 637
Stanton, Kentucky 40380

606-663-6368

Fax: 606-663-6348

July 11, 2022

City of Stanton
Attn: Mayor Dale Allen
PO Box 370
Stanton, Kentucky 40380

City of Clay City
Attn: Mayor Bobby Carmichael
PO Box 548
Clay City, Kentucky 40312

Powell's Valley Water District
PO Box 550
Clay City, Kentucky 40312

In Re: Water Rate Increase;
Beech Fork Water Commission

Dear Stanton, Clay City and Powell's Valley Water District,

I am the attorney for the Beech Fork Water Commission. The Commission has requested that I contact each of its customers and provide notification that at its last meeting on June 13, 2022, the Beech Fork Water Commission, after reviewing the current state of the finances, approved a rate increase for its potable water from the current rate of \$2.71 per thousand gallons to \$3.25 per thousand gallons. The Commission would also need to add the 2.9 cents per thousand Kentucky River Authority Fee to the water sold as well - as it has in the past. I have enclosed a copy of the resolution enacting said rate increase. This was the first increase by the Beech Fork Water Commission to its customers. (Stanton, Clay City and Powell's Valley), in several years and was only done due to the recent financial reports and analysis demonstrating that the Commission is now, and has for the past year or two, been operating at a deficit. The rate increase is to become effective on January 1, 2023, and should be sufficient to insure that no deficits or shortfalls in revenue occur in the next few years.

The Commission regrets being forced to increase its water rates, but the economics of the situation are such that Beech Fork is now, and has been for some time, operating at a loss. The ever-increasing costs of health and property insurance, employee benefits and wages, and the costs of producing the water and to make periodic repairs to the

system have steadily increased in past years. Inflation has increased the costs of virtually everything over the past few years - including the chemicals we use at the plant. As an employer, I am sure that you are aware of these same cost increases. As stated previously, the rate increase will not go into effect until January 1, 2023. Hopefully, this will allow your governmental body sufficient time to modify the rates you charge to your customers. Once again, we regret this increase and have taken steps to delay any increase as much as possible in the past, but it appears that we have reached that point.

The next regular meeting of the Beech Fork Water Commission is scheduled for Monday, August 8th at 6:00 pm at the Beech Fork Water Plant. If you have any questions regarding this matter or would like to discuss the reasons behind the need for the rate increase or address any concerns you may have, you are welcome to be present at that meeting. Also, you are welcome to contact either myself, Chairman, Rodney Barnes, or your individual representative to the Commission regarding same. We appreciate your assistance on this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "B. Scott Graham".

B. Scott Graham
Attorney, Beech Fork
Water Commission

B. Cost Increase Calculations

Water Purchase Adjustment

	01-Nov-2021	26-Oct-2022
Water Purchased	161,705,000	gallons
Water Sold	114,320,260	gallons

	Current Rate	New Rate
Commission Rate	\$2.710	\$3.250
Ky River Fee	\$0.022	\$0.029
Total Cost of Water	\$2.732	\$3.279

	Gallons	Rate	Expense
Current Water Expense	161,705,000	\$2.732	\$441,778.06
Proposed Water Expense	161,705,000	\$3.279	\$530,246.87
Increase in Purchase Expense			\$88,468.81

Increase in Purchase Expense	\$88,468.81
Total Water Sales	114,320,260
Increase in Purchase Expense / 1000 G	\$0.774 / 1000 G sold

Water Rate Schedule

	Current Rate	Incr	New Rate
First 2,000 Gallons (Min. Bill)	\$23.22	\$1.548	\$24.77 minimum bill
Next 2,000 Gallons	\$10.06	\$0.774	\$10.83 /1000 gallons
Next 2,000 Gallons	\$9.07	\$0.774	\$9.84 /1000 gallons
All Over 6,000 Gallons	\$8.48	\$0.774	\$9.25 /1000 gallons

C. Water Sales and Water Purchases

Monthly Water Sales

Billing Month	Usage
01-Nov-2021	8,933,170 Gallons
01-Dec-2021	8,581,480
27-Jan-2022	8,806,200
25-Feb-2022	8,707,170
24-Mar-2022	8,463,260
26-Apr-2022	8,375,350
25-May-2022	8,460,730
28-Jun-2022	11,566,720
27-Jul-2022	11,274,000
29-Aug-2022	9,868,194
27-Sep-2022	10,427,352
26-Oct-2022	10,856,634
	114,320,260

Monthly Water Purchases

Purchase Month	Purchases
30-Nov-2021	13,014,000 Gallon
31-Dec-2021	11,939,000
31-Jan-2022	14,759,000
28-Feb-2022	13,008,000
31-Mar-2022	13,830,000
30-Apr-2022	12,522,000
31-May-2022	13,829,000
30-Jun-2022	14,699,000
31-Jul-2022	15,077,000
31-Aug-2022	13,395,000
30-Sep-2022	12,781,000
30-Oct-2022	12,852,000
	161,705,000

D. Customer Notice

CUSTOMER NOTICE

Due to a rate increase from the Beech Fork Water Commission, notice is hereby given that the Powells Valley Water District has filed an application for a Purchased Water Adjustment with the Kentucky Public Service Commission for adjusting its water rates. Customer rates will increase by \$0.774 per 1,000 gallons used. The proposed change will be effective for service rendered on and after January 1, 2023.

	Monthly Water Rates			
	Current Rates	Proposed Rates	\$ Increase	% Increase
First 2,000 gallons	\$23.22 Minimum Bill	\$24.77 Minimum Bill	\$1.548	6.67%
Next 2,000 gallons	10.06 per 1,000 gallons	10.83 per 1,000 gallons	\$0.774	7.69%
Next 2,000 gallons	9.07 per 1,000 gallons	9.84 per 1,000 gallons	\$0.774	8.53%
Over 6,000 gallons	8.48 per 1,000 gallons	9.25 per 1,000 gallons	\$0.774	9.13%

The monthly bill for a residential customer using an average of 5,000 gallons per month will increase from \$52.41 to \$56.28. This is an increase of \$3.87 or 7.38%.

The rates contained in this notice are the rates proposed by Powells Valley 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 shown in this notice.

Powells Valley Water District has available for inspection at its office the application which it submitted to the Public Service Commission. Powells Valley Water District office is located at 31 Adams Ridge Road, Clay City, KY 40312. You may contact the office at 606-663-5870.

A 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>. You may contact the Public Service Commission at 502-564-3940.

E. Resolution Adjusting Water Rates and Charges to Offset
the Beach Fork Water Commission Wholesale Rate Increases

RESOLUTION 121230221
OF THE
POWELLS VALLEY WATER DISTRICT
BOARD OF COMMISSIONERS

WHEREAS, the Powells Valley Water District (PVWD) purchases water from Beach Fork Water Commission (BFWC) in accordance with the Water Purchase Contract dated January 11, 1993 and amended and restated on June 12, 2017, and:

WHEREAS, the Agreement provides for bi-annual wholesale rate reviews by BFWC and PVWD, and;

WHEREAS, BFWC has notified PVWD in accordance with the terms of the contract that the wholesale rate shall increase from \$2.732 per 1,000 gallons to \$3.279 per 1,000 gallons effective January 1, 2023, and;

NOW, THEREFORE BE IT RESOLVED by the PVWD Board of Commissioners that the attached Purchase Water Adjustment and associated retail rates calculated in accordance with the requirements of the Kentucky Public Service Commission and the Commonwealth of Kentucky, be approved and implemented as of January 1, 2023.

ADOPTED this 12 day of December, 2022.

POWELLS VALLEY WATER DISTRICT



CHAIRMAN

ATTEST:



SECRETARY