

**REID VILLAGE WATER DISTRICT  
P.O. BOX 610  
MT. STERLING, KY 40353  
PHONE [859] 498-0062  
FAX [859] 497-9984**

July 5, 2023

Jeff Derouen  
Executive Director  
Public Service Commission  
P. O. Box 615  
Frankfort, KY 40602-0615

RE: Formal Application for a Purchased Water Adjustment

This is an application for a purchased water rate adjustment for the Reid Village Water District. The adjustment is necessary to recover an increase in the cost of water attributable to our supplier's new wholesale rates that will become effective August 1, 2023.

Sincerely,



Rachel Cartmill  
District Manager

Enclosure

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

Name of Utility	Reid Village Water District	
Date	July 5, 2023	
Address	950 Winchester Rd	
City, State, Zip	Mt. Sterling	KY 40353
Telephone Number	859-498-0062	

**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.**

<b>Supplier(s)</b>	<b>Base Rate</b>	<b>Changed Rate</b>
Mt. Sterling Water	3.40	3.67

**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	July 2022	through	June 2023
	(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.**

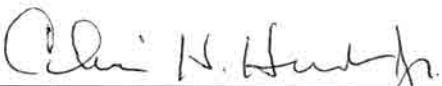
Supplier(s)	Gallons Purchased during 12 month period
Mt. Sterling Water & Sewer	65,873,749
<b>TOTAL PURCHASES</b>	65,873,749
4. Total sales for the 12 month period	52,723,045
5. Increased water cost	\$17785.92
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	.34 per 1000 gallons
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p><b>Note:</b> 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.</p>	
7. Proposed effective date	August 1, 2023
	
Signature of Utility Officer	
Chairman of the Board	
Title	

Exhibit A



**MT. STERLING WATER & SEWER SYSTEM**  
POST OFFICE BOX 392 - 300 EAST MAIN STREET  
MOUNT STERLING, KENTUCKY 40353-0392

June 22, 2023

Rachael Cartmill  
Reid Village Water District  
P.O. Box 610  
Mt. Sterling, Kentucky 40353

Re: Wholesale Rate Increase

Rachael,

The purpose of this letter is to advise you that our utility, Mt. Sterling Water & Sewer (Mt. Sterling), is requesting approval from the Kentucky Public Service Commission (PSC) to increase wholesale water rates by 8.0% charged to water districts/associations served by our utility. This proposed increase is based upon the Consumer Price Index maintained and reported by the U.S. Department of Labor, Bureau of Labor Statistics, and the DLG (Department for Local Government), as well as several upcoming water infrastructure projects slated for the 2023/2024 fiscal year. As a result, our water and sewer board of commissioners voted to increase water rates by a factor of 8.0% at the regular monthly board meeting held June 19, 2023.

Our utility has petitioned the Public Service Commission (PSC), to allow this increase to be passed along to our wholesale customers. A rate modification request has been filed, which includes a tariff sheet asking to increase our current wholesale water rate of \$3.40/1,000 gallons, up to \$3.67/1,000 gallons. We have requested that this increase be effective August 1, 2023. Should this increase be approved, it will be reflected in the September billing. This notice is being provided to comply with a PSC statute that requires affected wholesale customers to receive notice of any proposed rate increase a minimum of 30 days prior to the implementation of said increase. Included, please find a copy of notification of the proposed increase to our wholesale customers, notification to the PSC Executive Director, proposed tariff sheet, required PSC language, along with an excerpt from the Bureau of Labor Statistics web site and a copy of the letter from the DLG indicating the previously referenced inflationary increase.

In closing, thank you for both your understanding and cooperation regarding this matter. Should you have questions, comments, or concerns regarding this notice, please feel free to contact me at (859) 498-0166.

Sincerely,

Brad Reed  
Manager  
Mt. Sterling Water & Sewer

FOR Reid Village Area  
Community, Town or City

P.S.C. KY. NO. \_\_\_\_\_

7<sup>th</sup> Revised SHEET NO. 1

CANCELING P.S.C. KY. NO. \_\_\_\_\_

6<sup>th</sup> Revised SHEET NO. 1


Reid Village Water District  
Name of Utility

MONTHLY WATER RATES

		<u>Current</u>		<u>Proposed</u>
First	2,000 gallons	+34 +.34 \$26.53	Minimum Bill (I)	27.21
Next	1,000 gallons	+ .34 0.00907	per gallon	0.00941
Next	2,000 gallons	+ .34 0.00848	per gallon	0.00882
Next	5,000 gallons	+ .34 0.00787	per gallon	0.00821
Over	10,000 gallons	+ .34 0.00725	per gallon	0.00759

Non-Recurring Charges

Connect Fee	\$27.00
Deposit	\$81.00
Re-connection Charge	\$35.00
Tap On Fee	\$650.00

DATE OF ISSUE <u>August 1, 2022</u> <u>August 1, 2023</u> <small>Month / Date / Year</small> DATE EFFECTIVE <u>August 1, 2022</u> <u>August 1, 2023</u> <small>Month / Date / Year</small> ISSUED BY <u>(Signature)</u> <small>(Signature of Officer)</small> TITLE <u>CHAIRMAN</u>	<b>KENTUCKY</b> <b>PUBLIC SERVICE COMMISSION</b> <b>Linda C. Bridwell</b> <small>Executive Director</small>  EFFECTIVE <b>8/1/2022</b> <small>PURSUANT TO 807 KAR 5.011 SECTION 9 (1)</small>
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. <u>2022-00240</u> DATED <u>August 23, 2022</u>	

REID VILLAGE WATER DISTRICT MINUTES  
950 WINCHESTER RD  
P O BOX 610  
MT STERLING KY 40353  
859-498-0062

Special Meeting

DATE: July 14, 2023      TIME: 5:00 pm      Location: 950 Winchester Rd

Those Present: Jim Costigan, Calvin Hunt, Jr. , Rachel Cartmill

This meeting was called solely to present a letter from Mt. Sterling Water and Sewer regarding a rate increase. Rachel ask for the Boards approval to absorb this increase by applying for a pass through rate increase with the Public Service Commission.

Jim made the first motion to approve the filing for the pass through rate increase. Calvin seconded the motion.

Rachel said she would send the necessary documents to the Public Service Commission for processing.

Meeting Adjourned at 5:15



# Reid Village Water District - WORKSHEET

## Consumption Totals

July	2022	5015055
August	2022	5012844
Sept	2022	4362562
Oct	2022	4193894
Nov	2022	4210686
Dec.	2022	3634445
Jan	2023	4315638
Feb	2023	3770041
March	2023	3429965
April	2023	4089692
May	2023	4870462
June	2023	<u>5817761</u>

52,723,045

$$\begin{aligned} & \div 1000 \text{ gallons} \\ & = 52723.05 \end{aligned}$$

Gallons purchased from MSWS 65,873,749  $\div 1000 = 65873.75$

65873.75 x purchased at Base (Cur. 3.40) 223970.75

65873.75 x purchased at Base (New Rate 3.67) 241756.67

Cost Difference 17,785.92

$$17,785.92 \div 52723.05 = .34\text{\$}$$

per 1000 gallons = water adj.  
factor