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# WESTERN PULASKI COUNTY WATER DISTRICT

September 19, 2023

Linda 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 Western Pulaski County 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.

In accordance with agreement between the City of Somerset and the Western Pulaski County Water District, effective November 7, 2023 the Western Pulaski County Water District will implement a \$0.45 per 1000 gallon increase to our wholesale water purchase rates. The result of this increase is \$177,049.95 in additional yearly supply cost for the Company. This translates into \$0.45 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 – City of Somerset Proposal Letter
- 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 Directors 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.

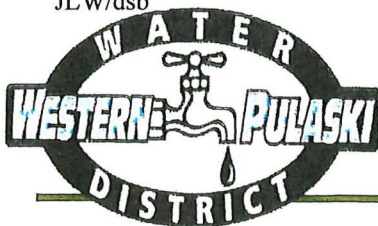
Should you have any questions please contact Deron S. Byrne, P.E. at (502) 839-1310, as he is handling this matter on behalf of the District.

Sincerely,



Joel L. Wilson

JLW/dsb



2128 West Hwy. 80  
Somerset, KY 42503  
Pulaski County

PHONE (606) 679-1569  
FAX (606) 677-9449  
EMAIL [joe-mcclendon@hotmail.com](mailto:joe-mcclendon@hotmail.com)

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

Name of Utility	Western Pulaski County Water District	
Date	08/22/2023	
Address	2128 West Highway 80	
City, State, Zip	Somerset, Kentucky	42503
Telephone Number	(606) 679-1569	

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
City of Somerset	Rate per 1000 gallons: \$2.50	Rate per 1000 gallons: \$2.80
City of Russell Springs	Rate per 1000 gallons: \$2.98	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	August 2022	through	July 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
City of Somerset	590,166,500
City of Russell Springs	585,698
<b>TOTAL PURCHASES</b>	590,752,198

4. Total sales for the 12 month period	393,235,755
5. Increased water cost	\$177,049.95
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.45
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	November 7, 2023
	
Signature of Utility Officer	
<i>Chairman</i> Title	

**Increased Water Cost Calculation:**

**City of Somerset**

$$(590,166.5 \times \$2.80) = \$1,652,466.20$$

$$(590,166.5 \times \$2.50) = \$1,475,416.25$$

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$$\text{Increased Water Cost} = \$177,049.95$$

**Purchased Water Adjustment Factor Calculation:**

$$\text{Increased Cost of Water} = \$177,049.25$$

$$\text{Total Gallons Sold} = 393,235,755$$

$$\$177,049.25 / 393,235.755 = \$0.45 \text{ per 1000 Gallons}$$



306 E. Mt. Vernon St.  
Somerset, KY 42501  
Phone: 606.679.6366

**Alan L. Keck, Mayor**  
cityofsomerset.com @CityofSomerset.KY @CityofSomerset

P.O. Box 989  
Somerset, KY 42502  
Fax: 606.679.2481

Western Pulaski County Water District  
2128 W. Highway 80  
Somerset, KY 42503

August 7, 2023

Dear Chairman Joel Wilson

Pursuant to the notice provision of the contract between the City of Somerset and the Western Pulaski County Water District, dated July 1, 2011, the City of Somerset is giving 90-day notice to increase water rates.

The increases are tiered, or stair stepped. Here are the effective dates, percentage increases, and resulting rates:

1. November 7th, 2023, \$2.80 per 1000 gallons.
2. November 7th, 2024, \$3.11 per 1000 gallons.
3. November 7th, 2025, \$3.42 per 1000 gallons.

No one in the City of Somerset takes pleasure in giving this notice. The rate increases are caused by the unprecedented inflationary period we are all experiencing coupled with the City's capital investment of over 12 million dollars into our water system over the last 4 years to continue to provide the service and demand. We appreciate the long-term relationship with your water district.

In order to effectively effect the rate changes, please sign the below with the understanding that this letter and the acceptance below will commemorate an addendum to the above contract. Upon execution, please return this letter to me.

Sincerely

Alan Keck, Mayor of Somerset

To the City of Somerset, C/O Alan Keck, Mayor:

On behalf of Western Pulaski County Water District, I acknowledge and consent to the above stated changes to the contract between the water district and the city of Somerset. In signing I state that I have the requisite authority and agree to this fully executed document serving as a contract addendum.

Date 9/19/23 Printed Name JOEL L WILSON

**STATEMENT OF WATER PURCHASED  
WESTERN PULASKI COUNTY WATER DISTRICT**

**CITY OF SOMERSET**

Month	Usage/Gallons	Total Cost
August 2022	52,262,400	\$130,656.00
September	51,014,400	127,536.00
October	52,231,300	130,578.25
November	50,547,400	126,368.50
December	46,212,500	115,531.25
January 2023	46,552,600	116,381.50
February	48,855,600	122,139.00
March	41,255,400	103,138.50
April	43,696,200	109,240.50
May	44,678,100	111,695.25
June	53,535,000	133,837.50
July 2023	59,325,600	148,717.50
<b>TOTAL</b>	<b>590,166,500</b>	<b>\$1,475,819.75</b>

**CITY OF RUSSELL SPRINGS**

Month	Usage/Gallons	Total Cost
August 2022	62,399	\$185.95
September	57,399	171.05
October	57,399	171.05
November	43,201	128.74
December	53,000	157.94
January 2023	70,600	210.39
February	0	0.00
March	77,302	230.36
April	41,100	122.48
May	39,899	118.90
June	38,899	115.92
July 2023	44,500	132.61
<b>TOTAL</b>	<b>585,698</b>	<b>\$1,745.38</b>

**STATEMENT OF WATER SOLD  
WESTERN PULASKI COUNTY WATER DISTRICT**

Month	Residential	Commercial	Other	Total Gallons Sold
August 2022	24,472,787	11,613,215	5,330	36,091,332
September	25,183,283	12,125,476	2,490	37,311,249
October	22,369,423	10,515,487	1,780	32,886,690
November	20,070,963	11,512,076	5,450	31,588,489
December	19,225,719	11,431,661	5,450	30,662,830
January 2023	21,432,105	10,343,712	2,320	31,778,137
February	17,903,978	9,236,345	9,850	27,150,173
March	15,696,877	8,797,526	3,160	24,497,563
April	19,636,584	10,830,632	4,910	30,472,126
May	20,399,355	12,785,396	3,070	33,187,821
June	25,876,232	13,169,614	2,080	39,047,926
July 2023	25,977,761	12,581,928	1,730	38,561,419
<b>TOTAL</b>	<b>258,245,067</b>	<b>134,943,068</b>	<b>47,620</b>	<b>393,235,755</b>

## LEGAL NOTICE REGARDING THE WESTERN PULASKI COUNTY WATER DISTRICT

Notice is hereby given that because of an increase in the cost of water purchased from the City of Somerset, the Western Pulaski County Water District will increase its rates for services effective November 7, 2023. An application requesting the proposed rates was filed with the Kentucky Public Service Commission on September 20, 2023 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 2,000 gallons	\$20.21 Minimum Bill	\$21.11 Minimum Bill	\$0.90	4.45%
Over 2,000 gallons	\$0.00725 per gallon	\$0.00770 per gallon	\$0.45	6.21%
<u>1" Meters:</u>				
First 10,000 gallons	\$78.00 Minimum Bill	\$82.50 Minimum Bill	\$4.50	5.77%
Over 10,000 gallons	\$0.00725 per gallon	\$0.00770 per gallon	\$0.45	6.21%
<u>1 1/2" Meters:</u>				
First 15,000 gallons	\$114.11 Minimum Bill	\$120.86 Minimum Bill	\$6.75	5.92%
Over 15,000 gallons	\$0.00725 per gallon	\$0.00770 per gallon	\$0.45	6.21%
<u>2" Meters:</u>				
First 20,000 gallons	\$150.23 Minimum Bill	\$159.23 Minimum Bill	\$9.00	5.99%
Over 20,000 gallons	\$0.00725 per gallon	\$0.00770 per gallon	\$0.45	6.21%
<u>3" Meters:</u>				
First 30,000 gallons	\$222.45 Minimum Bill	\$235.95 Minimum Bill	\$13.50	6.07%
Over 30,000 gallons	\$0.00725 per gallon	\$0.00770 per gallon	\$0.45	6.21%
Leak Adjustment	\$0.00462 per gallon	\$0.00507 per gallon	\$0.45	9.74%

As noted above, based on the increased cost of water from the City of Somerset all rates will increase \$0.45 per 1,000 gallons. The monthly bill for a customer using an average of 5,000 gallons of water each month will increase from \$41.96 to \$44.21. This is an increase of \$2.25 or 5.36%.

The charges/rates contained in this notice are the charges/rates proposed by the Western Pulaski County 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 Western Pulaski County Water District office located at 2128 W. Highway 80 in Somerset, 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.

**WESTERN PULASKI COUNTY WATER DISTRICT**  
s/ Joel L. Wilson, Chairman



FOR: Pulaski, Wayne, Russell Counties, KY  
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. 4.1

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

SHEET NO. 4

Western Pulaski County Water District, Inc.  
(Name of Utility)

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**RATES AND CHARGES**

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PHASE 2 – Effective 11/07/2023 to 09/26/2024

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**5/8 x 3/4 Inch Meter**

First 2,000	Gallons	\$ 21.11	Minimum Bill	(I)
Over 2,000	Gallons	\$ 0.00770	Per Gallon	(I)

**1 Inch Meter**

First 10,000	Gallons	\$ 82.50	Minimum Bill	(I)
Over 10,000	Gallons	\$ 0.00770	Per Gallon	(I)

**1 1/2 Inch Meter**

First 15,000	Gallons	\$ 120.86	Minimum Bill	(I)
Over 15,000	Gallons	\$ 0.00770	Per Gallon	(I)

**2 Inch Meter**

First 20,000	Gallons	\$ 159.23	Minimum Bill	(I)
Over 20,000	Gallons	\$ 0.00770	Per Gallon	(I)

**3 Inch Meter**

First 30,000	Gallons	\$ 235.95	Minimum Bill	(I)
Over 30,000	Gallons	\$ 0.00770	Per Gallon	(I)

Leak Adjustment		\$ 0.00507	Per Gallon	(I)
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Water Loss Reduction Surcharge		\$ 1.70	Per Customer	(I)
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DATE OF ISSUE 11/07/2023  
Month / Date / Year

DATE EFFECTIVE 11/07/2023  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE CHAIRMAN

FOR: Pulaski, Wayne, Russell Counties, KY  
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. 4.2

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

SHEET NO. 4

Western Pulaski County Water District, Inc.  
(Name of Utility)

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**RATES AND CHARGES**

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PHASE 3 – Effective 09/27/2024 to 09/26/2025

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**5/8 x 3/4 Inch Meter**

First 2,000	Gallons	\$ 22.43	Minimum Bill	(I)
Over 2,000	Gallons	\$ 0.00817	Per Gallon	(I)

**1 Inch Meter**

First 10,000	Gallons	\$ 87.59	Minimum Bill	(I)
Over 10,000	Gallons	\$ 0.00817	Per Gallon	(I)

**1 1/2 Inch Meter**

First 15,000	Gallons	\$ 128.30	Minimum Bill	(I)
Over 15,000	Gallons	\$ 0.00817	Per Gallon	(I)

**2 Inch Meter**

First 20,000	Gallons	\$ 169.02	Minimum Bill	(I)
Over 20,000	Gallons	\$ 0.00817	Per Gallon	(I)

**3 Inch Meter**

First 30,000	Gallons	\$ 250.46	Minimum Bill	(I)
Over 30,000	Gallons	\$ 0.00817	Per Gallon	(I)

Leak Adjustment \$ 0.00537 Per Gallon (I)

Water Loss Reduction Surcharge \$ 1.70 Per Customer (I)

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DATE OF ISSUE 11/07/2023  
Month / Date / Year

DATE EFFECTIVE 11/07/2023  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE CHAIRMAN

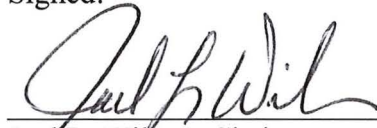
## RESOLUTION OF AUTHORIZATION

The Western Pulaski County Water District, Somerset, 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 City of Somerset effective on November 7, 2023. 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 September 20, 2023. The rates proposed therein shall become effective for service rendered on or after November 7, 2023.

Action herein ordered shall be duly recorded in the minutes of this public meeting of the Western Pulaski County Water District held on this the 19<sup>th</sup> day of September 2023.

Ordered this 19<sup>th</sup> day of September 2023.

Signed:



\_\_\_\_\_  
Joel L. Wilson, Chairman

Attest:



\_\_\_\_\_  
Secretary/Treasurer