
WESTERN PULASKI COUNTY WATER DISTRICT

January 30, 2024

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 January 25, 2024, 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 \$177,386.30 in additional yearly supply cost for the District. 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:

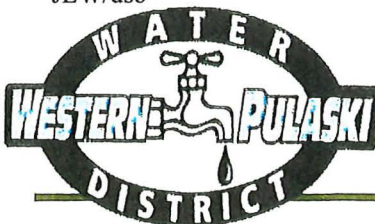
- Exhibit A – Purchase Water Rate Adjustment
- Exhibit B – City of Somerset Proposal Letter
- Exhibit C – Statement of Water Purchased
- Exhibit D – Statement of Water Sold
- Exhibit E – Notice to Customers
- Exhibit F – Revised Tariff Sheets
- Exhibit G – An executed copy of the Resolution of the Board 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

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

Name of Utility	Western Pulaski County Water District	
Date	01/30/2024	
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	January 2023	through	December 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	591,287,672
City of Russell Springs	491,600
TOTAL PURCHASES	591,779,272

4. Total sales for the 12 month period	394,779,528
5. Increased water cost	\$177,386.30
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>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.</p>	
7. Proposed effective date	January 25, 2024
	
Signature of Utility Officer	
<i>Chairman</i>	
Title	

Increased Water Cost Calculation:

City of Somerset

$$(591,287.7 \times \$2.80) = \$1,655,605.48$$

$$(591,287.7 \times \$2.50) = \$1,478,219.18$$

$$\text{Increased Water Cost} = \$177,386.30$$

Purchased Water Adjustment Factor Calculation:

$$\text{Increased Cost of Water} = \$177,386.30$$

$$\text{Total Gallons Sold} = 394,779,528$$

$$\$177,386.30 / 394,779,528 = \$0.45 \text{ per 1000 Gallons}$$

December 21, 2023

NOTICE:

Somerset Utilities, a division of the City of Somerset ("Somerset"), is providing notice that it plans to file with the Public Service Commission on or before December 21, 2023, to increase its wholesale rate to Western Pulaski County Water District effective for water service rendered on and after January 25, 2024. The proposed rates are as follows:

<u>Monthly Rate Per 1000 Gallons</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>\$ Difference</u>	<u>% Difference</u>
Effective on January 25, 2024	\$2.50	\$2.80	\$0.30	12%
Effective on January 25, 2025	\$2.80	\$3.11	\$0.31	11%
Effective on January 25, 2026	\$3.11	\$3.42	\$0.31	9.99%

Water flowing through the meter(s) before the effective date will be charged at the current rate while water flowing through the meter(s) on and after the effective date will be charged at the proposed rate.

This filing may be examined at Somerset's main office located at 306 E. Mt. Vernon Street, Somerset, KY 42501 or by contacting Nick Bradley, City Clerk, at City of Somerset, 306 E. Mt. Vernon St., phone (606) 679-6366.

The 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, Kentucky 40602; or through its website at <http://psc.ky.gov>.

The proposed rate is the rate proposed by Somerset in its filing, but the Public Service Commission may order a rate that differs from the proposed rate.

Intervention may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 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.



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 8/15/23 Printed Name JOEL L WILSON

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

CITY OF SOMERSET

Month	Usage/Gallons	Total Cost
January 2023	46,585,215	\$116,463.03
February	41,334,897	103,337.24
March	46,817,145	117,042.86
April	44,613,250	111,533.12
May	50,773,091	126,932.72
June	53,562,838	133,907.09
July	57,934,648	144,836.62
August	55,317,819	138,294.54
September	53,458,985	133,647.46
October	48,302,262	120,755.65
November	45,880,931	114,702.32
December	46,910,486	117,276.21
TOTAL	591,287,672	\$1,478,728.86

CITY OF RUSSELL SPRINGS

Month	Usage/Gallons	Total Cost
January 2023	39,500	\$117.71
February	38,400	114.43
March	37,900	112.94
April	39,000	116.22
May	43,600	129.92
June	48,100	143.33
July	46,900	139.76
August	42,200	125.75
September	41,700	124.26
October	38,600	115.02
November	36,000	107.28
December	39,700	118.30
TOTAL	491,600	\$1,347.21

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

Month	Residential	Commercial	Total Gallons Sold
January 2023	28,796,871	2,978,871	31,775,817
February	25,339,897	1,962,822	27,302,663
March	22,857,723	1,683,680	24,541,403
April	27,929,339	2,537,877	30,467,216
May	28,162,111	5,022,640	33,184,751
June	33,846,176	5,199,670	39,045,846
July	32,462,699	6,096,990	38,559,689
August	31,768,628	6,010,900	37,779,528
September	34,869,685	5,872,700	40,742,385
October	28,908,555	4,699,520	33,608,075
November	27,028,297	2,539,920	29,568,217
December	26,419,817	1,784,140	28,203,957
TOTAL	348,389,798	46,389,730	394,779,528

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 January 25, 2024. An application requesting the proposed rates was filed with the Kentucky Public Service Commission on January 31, 2024, 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)

RATES AND CHARGES

WPCWD PHASE 2/SOMERSET PHASE 1 – Effective 01/25/2024 to 09/26/2024

5/8 x 3/4 Inch Meter

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

1 Inch Meter

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

1 1/2 Inch Meter

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

2 Inch Meter

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

3 Inch Meter

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

Leak Adjustment \$ 0.00507 Per Gallon (l)

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

DATE OF ISSUE 01/25/2024
Month / Date / Year

DATE EFFECTIVE 01/25/2024
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)

RATES AND CHARGES

WPCWD PHASE 3/SOMERSET PHASE 1 – Effective 09/27/2024 to 01/24/2025

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)
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Water Loss Reduction Surcharge		\$ 1.70	Per Customer	(I)
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DATE OF ISSUE 01/25/2024
Month / Date / Year

DATE EFFECTIVE 09/27/2024
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)

RATES AND CHARGES

WPCWD PHASE 3/SOMERSET PHASE 2 – Effective 01/25/2025 to 01/24/2026

5/8 x 3/4 Inch Meter

First 2,000	Gallons	\$ 23.33	Minimum Bill	(l)
Over 2,000	Gallons	\$ 0.00862	Per Gallon	(l)

1 Inch Meter

First 10,000	Gallons	\$ 92.09	Minimum Bill	(l)
Over 10,000	Gallons	\$ 0.00862	Per Gallon	(l)

1 1/2 Inch Meter

First 15,000	Gallons	\$ 135.05	Minimum Bill	(l)
Over 15,000	Gallons	\$ 0.00862	Per Gallon	(l)

2 Inch Meter

First 20,000	Gallons	\$ 178.02	Minimum Bill	(l)
Over 20,000	Gallons	\$ 0.00862	Per Gallon	(l)

3 Inch Meter

First 30,000	Gallons	\$ 263.96	Minimum Bill	(l)
Over 30,000	Gallons	\$ 0.00862	Per Gallon	(l)

Leak Adjustment		\$ 0.00582	Per Gallon	(l)
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Water Loss Reduction Surcharge		\$ 1.70	Per Customer	(l)
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DATE OF ISSUE 01/25/2024
Month / Date / Year

DATE EFFECTIVE 01/25/2025
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)

RATES AND CHARGES

WPCWD PHASE 3/SOMERSET PHASE 3 – Effective 01/25/2026

5/8 x 3/4 Inch Meter

First 2,000	Gallons	\$ 24.23	Minimum Bill	(l)
Over 2,000	Gallons	\$ 0.00907	Per Gallon	(l)

1 Inch Meter

First 10,000	Gallons	\$ 96.59	Minimum Bill	(l)
Over 10,000	Gallons	\$ 0.00907	Per Gallon	(l)

1 1/2 Inch Meter

First 15,000	Gallons	\$ 141.80	Minimum Bill	(l)
Over 15,000	Gallons	\$ 0.00907	Per Gallon	(l)

2 Inch Meter

First 20,000	Gallons	\$ 187.02	Minimum Bill	(l)
Over 20,000	Gallons	\$ 0.00907	Per Gallon	(l)

3 Inch Meter

First 30,000	Gallons	\$ 286.46	Minimum Bill	(l)
Over 30,000	Gallons	\$ 0.00907	Per Gallon	(l)

Leak Adjustment \$ 0.00627 Per Gallon (l)

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

DATE OF ISSUE 01/25/2024
Month / Date / Year

DATE EFFECTIVE 01/25/2026
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 January 25, 2024. 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 January 31, 2024. The rates proposed therein shall become effective for service rendered on or after January 25, 2024.

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 30th day of January 2024.

Ordered this 30th day of January 2024.

Signed:



Joel L. Wilson, Chairman

Attest:



Secretary/Treasurer