

# U.S. 60 Water District

PO Box 97  
Bagdad, KY 40003  
(502) 747-8942

May 22, 2024

Linda C. 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 U.S. 60 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.

The District was recently notified by its supplier, the Shelbyville Municipal Water & Sewer Commission, that it would increase its wholesale rates by \$0.06 per 1000 gallons. This increase will take effect on May 19, 2024. The result of this increase is \$10,871.04 in additional annual supply cost for the District. This translates into \$0.08 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 – Copy Shelbyville Municipal Water & Sewer Commission's Notice of an Increase in Wholesale Rates
- 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 Commissioners 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 Lee Mudd at (502) 839-1310, as he is handling this matter on behalf of the Company.

Sincerely,

Pat Hargadon, Chairman

PH/jlm

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

Name of Utility	U.S. 60 Water District	
Date	5/22/2024	
Address	P.O. Box 97	
City, State, Zip	Bagdad, Kentucky	40003
Telephone Number	(502) 747-8942	

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>
Shelbyville Municipal Water & Sewer Commission	Rate per 1000 gallons: \$2.41	Rate per 1000 gallons: \$2.47
Frankfort Electric & Water Plant Board	Rate per 1000 gallons: \$2.55 KRA Withdraw Fee per 1000 gallons: \$0.29	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	May 2023	through	April 2024
	(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
Shelbyville Municipal Water & Sewer Commission	181,184,000
Frankfort Electric & Water Plant Board	13,698,134
<b>TOTAL PURCHASES</b>	194,882,134

4. Total sales for the 12 month period	150,328,331
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5. Increased water cost	\$10,871.04
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	

6. Purchased water adjustment factor	\$0.08
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	June 1, 2024
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Signature of Utility Officer

*Chairman*  
Title

**Increased Water Cost Calculation:**

**Shelbyville Municipal Water & Sewer Commission**

$$(181,184.00 \times \$2.47) = \$447,524.48$$

$$(181,184.00 \times \$2.41) = \$436,653.44$$

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$$\text{Increased Water Cost} = \$10,871.04$$

**Purchased Water Adjustment Factor Calculation:**

$$\text{Increased Cost of Water} = \$10,871.04$$

$$\text{Total Gallons Sold} = 150,328,331$$

$$\begin{aligned} \$10,871.04 / 150,328,331 &= \$0.0723 \text{ per 1000 Gallons} \\ &= \$0.08 \text{ per 1000 Gallons} \end{aligned}$$

**NOTICE**

The Shelbyville Municipal Water & Sewer Commission (SMW&SC) is providing notice that on February 15, 2021 a proposed increase in water rates was approved by the Commission, including wholesale water rates to Water Districts, and recommended these changes to the City Council which had their 1<sup>st</sup> reading on March 4, 2021, with the 2<sup>nd</sup> reading scheduled for March 18, 2021. This ordinance allowed the Commission to do annual increases of 2.5% annually to all water and sewer customers. The SMW&SC filed the revised wholesale rates it is proposing to charge North Shelby Water Company and US 60 Water District with Public Service Commission on April 10, 2024. These rates will be effective for water service rendered on and after May 19, 2024. The proposed rates are as follows:

<b>CURRENT RATE</b>	<b>PROPOSED RATE</b>	<b>\$ Change</b>	<b>% Change</b>
<b>\$2.41/1,000 gallons</b>	<b>\$2.47/1,000 gallons</b>	<b>\$0.06/gallon</b>	<b>2.5% increase</b>

Quantities over the respective Contract Limits shall be charged the PROPOSED Rate described above, plus \$1.00 per 1,000 gallons.

The Shelbyville City Council had the 1<sup>st</sup> hearing on March 4, 2021 and the 2<sup>nd</sup> hearing will be on March 18, 2021. Water flowing through the meter(s) before the effective date will be charged at the current rates while water is flowing through the meter(s) on and after the effective date (May 19, 2024) will be charged at the proposed rates.

This filing may be examined at the Offices of SMW&SC located at 1059 Washington St. in Shelbyville, KY.

This 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 KY 40602; or through its website at <http://psc.ky.gov>.

The Rates contained in this NOTICE are the rates proposed by the "SMW&SC", however the PUBLIC SERVICE COMMISSION may order rates that differ from the proposed rates.

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

AREA US 60 Water District of Shelby and Franklin

PSC KY NO. \_\_\_\_\_ 1 \_\_\_\_\_

Fourth Revised SHEET NO. \_\_\_\_\_ 1 \_\_\_\_\_

Shelbyville Municipal Water & Sewer Commission  
(NAME OF UTILITY)

CANCELLING PSC KY NO. \_\_\_\_\_ 1 \_\_\_\_\_

Third Revised SHEET NO. \_\_\_\_\_ 1 \_\_\_\_\_

WHOLESALE WATER SERVICE

U.S. 60 WATER DISTRICT OF SHELBY AND FRANKLIN COUNTIES OF KY. \$2.47 PER 1,000 GALLONS (I)

SURCHARGE FOR MONTHLY USAGE OVER 15 MILLION GALLONS \$1.00 PER 1,000 GALLONS

DATE OF ISSUE April 10, 2024  
MONTH / DATE / YEAR

DATE EFFECTIVE May 19, 2024  
MONTH / DATE / YEAR

ISSUED BY /s/ Thomas Doyle  
SIGNATURE OF OFFICER

TITLE General Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

**STATEMENT OF WATER PURCHASED  
U.S. 60 WATER DISTRICT**

**SHELBYVILLE MUNICIPAL WATER & SEWER COMMISSION**

Month	Usage/Gallons	Total Cost
May 2023	14,120,000	\$33,182.00
June	16,493,000	\$40,251.55
July	14,477,000	\$34,889.57
August	15,571,000	\$38,097.11
September	17,161,000	\$43,519.01
October	16,603,000	\$41,616.23
November	15,268,000	\$37,063.88
December	11,629,000	\$27,328.15
January	14,368,000	\$34,626.88
February	15,657,000	\$38,390.37
March	15,781,000	\$38,813.21
April 2024	14,056,000	\$33,874.96
<b>TOTAL</b>	<b>181,184,000</b>	<b>\$441,652.92</b>

**FRANKFORT ELECTRIC & WATER PLANT BOARD**

Month	Usage/Gallons	Total Cost
May 2023	865,931	\$2,459.25
June	1,029,185	\$2,922.89
July	1,159,878	\$3,294.05
August	1,267,656	\$3,600.14
September	822,060	\$2,334.64
October	1,362,267	\$3,868.84
November	1,290,525	\$3,665.09
December	1,100,863	\$3,126.45
January	1,169,878	\$3,441.71
February	1,085,591	\$3,083.08
March	1,310,700	\$3,722.38
April 2024	1,233,600	\$3,503.44
<b>TOTAL</b>	<b>13,698,134</b>	<b>\$39,021.96</b>

**STATEMENT OF WATER SOLD  
U.S. 60 WATER DISTRICT**

Month	Residential	Commercial	Other	Total Gallons Sold
May 2023	10,062,900	788,200	167,300	11,018,400
June	12,690,500	1,018,300	255,000	13,963,800
July	12,025,700	914,200	79,600	13,019,500
August	12,091,300	903,400	101,600	13,096,300
September	13,702,900	1,179,900	208,900	15,091,700
October	13,337,324	1,095,200	301,800	14,734,324
November	12,292,422	578,000	180,900	13,051,322
December	10,183,011	522,000	149,600	10,854,611
January	11,149,317	902,900	105,800	12,158,017
February	11,839,018	335,300	152,400	12,326,718
March	9,803,621	577,600	157,600	10,538,821
April 2024	9,643,718	672,000	159,100	10,474,818
<b>TOTAL</b>	<b>138,821,731</b>	<b>9,487,000</b>	<b>2,019,600</b>	<b>150,328,331</b>



## LEGAL NOTICE REGARDING THE U.S. 60 WATER DISTRICT

Notice is hereby given that because of an increase in the cost of water purchased from the Shelbyville Municipal Water & Sewer Commission, the U.S. 60 Water District will increase its rates for services effective June 1, 2024. An application requesting the proposed rates was filed with the Kentucky Public Service Commission on May 22, 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 1,000 gallons	\$18.57 Minimum Bill	\$18.65 Minimum Bill	\$0.08	0.43%
Next 2,000 gallons	\$0.00997 per gallon	\$0.01005 per gallon	\$0.00008	0.80%
Next 2,000 gallons	\$0.00847 per gallon	\$0.00855 per gallon	\$0.00008	0.95%
Over 5,000 gallons	\$0.00777 per gallon	\$0.00785 per gallon	\$0.00008	1.03%
<u>1" Meters:</u>				
First 5,000 gallons	\$55.45 Minimum Bill	\$55.85 Minimum Bill	\$0.40	0.72%
Over 5,000 gallons	\$0.00777 per gallon	\$0.00785 per gallon	\$0.00008	1.03%
<u>1 1/2" Meters:</u>				
First 15,000 gallons	\$133.15 Minimum Bill	\$134.35 Minimum Bill	\$1.20	0.90%
Over 15,000 gallons	\$0.00777 per gallon	\$0.00785 per gallon	\$0.00008	1.03%
<u>2" Meters:</u>				
First 25,000 gallons	\$210.85 Minimum Bill	\$212.85 Minimum Bill	\$2.00	0.95%
Over 25,000 gallons	\$0.00777 per gallon	\$0.00785 per gallon	\$0.00008	1.03%
<u>Bulk User Rate:</u>				
First 1,000 gallons	\$14.97 Minimum Bill	\$15.05 Minimum Bill	\$0.08	0.53%
Over 1,000 gallons	\$0.00997 per gallon	\$0.01005 per gallon	\$0.00008	0.80%
<u>Wholesale Water Rates:</u>				
First 25,000 gallons	\$186.25 Minimum Bill	\$188.25 Minimum Bill	\$2.00	1.07%
Over 25,000 gallons	\$0.00677 per gallon	\$0.00685 per gallon	\$0.00008	1.18%

As noted above, based on the increased cost of water from the Shelbyville Municipal Water & Sewer Commission, all rates will increase \$0.08 per 1,000 gallons. The monthly bill for a typical residential customer using an average of 4,485 gallons of water each month will increase from \$51.09 to \$51.45. This is an increase of \$0.36 or 0.71%.

The charges/rates contained in this notice are the charges/rates proposed by the U.S. 60 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 U.S. 60 Water District located at 4596 Bagdad Road in Bagdad, 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.

**U.S. 60 WATER DISTRICT**  
**s/ Pat Hargadon, Chairman**

FOR ALL AREAS SERVED

P.S.C. KY. NO. 3

9<sup>th</sup> REVISED SHEET NO. 1

U.S. 60 Water District of Shelby & Franklin Counties, KY  
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3

8<sup>th</sup> REVISED SHEET NO. 1

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RATES AND CHARGES

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MONTHLY RATES:

5/8 x 3/4 Inch Meters:

First	1,000 gallons	\$18.65 Minimum Bill
Next	2,000 gallons	\$0.01005 per gallon
Next	2,000 gallons	\$0.00855 per gallon
Over	5,000 gallons	\$0.00785 per gallon

1 Inch Meters:

First	5,000 gallons	\$55.85 Minimum Bill
Over	5,000 gallons	\$0.00785 per gallon

1 1/2 Inch Meters:

First	15,000 gallons	\$134.35 Minimum Bill
Over	15,000 gallons	\$0.00785 per gallon

2 Inch Meters:

First	25,000 gallons	\$212.85 Minimum Bill
Over	25,000 gallons	\$0.00785 per gallon

Bulk User Rate:

First	1,000 gallons	\$15.05 Minimum Bill
Over	1,000 gallons	\$0.01005 per gallon

Wholesale Water Rates:

First	25,000 gallons	\$188.25 Minimum Bill
Over	25,000 gallons	\$0.00685 per gallon

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DATE OF ISSUE May 22, 2024  
Month / Date / Year

DATE EFFECTIVE June 1, 2024  
Month / Date / Year

ISSUED BY Pat Hargadon  
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

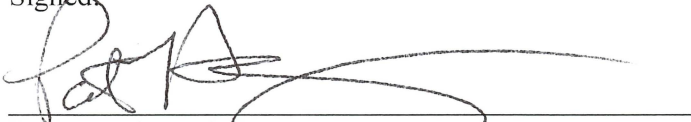
## RESOLUTION OF AUTHORIZATION

The U.S. 60 Water District, Bagdad, 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 Shelbyville Municipal Water & Sewer Commission effective on May 19, 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 May 22, 2024. The rates proposed therein shall become effective for service rendered on or after June 1, 2024.

Action herein ordered shall be duly recorded in the minutes of this public meeting of the U.S. 60 Water District held on this the 21<sup>st</sup> day of May 2024.

Ordered this 21<sup>st</sup> day of May 2024.


Signed:



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Pat Hargadon, Chairman

Attest:



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Stephen Miller, Secretary