

McGHEE ENGINEERING, INC.

202 Ewing Street, P. O. Box 267
Guthrie, Kentucky 42234

www.mcgheeengineering.com

Phone: (270) 483-9985
Fax: (270) 483-9986

January 4, 2009

Jeff Derouen, Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

RECEIVED

JAN 07 2010

PUBLIC SERVICE
COMMISSION

RE: North Logan Water District
Purchase Water Adjustment

Dear Mr. Derouen:

On behalf of the North Logan Water District, please find enclosed ten copies of a Purchase Water Adjustment. The adjustment is in response to their supplier's (Logan Todd Regional Water Commission) decision to raise the wholesale rate from \$3.31/1,000 gallons to \$3.75/1,000 gallons. In addition to the PWA, a copy of Logan Todd's rate change notice is attached.

If you have any questions or need additional information, please feel free to call our office or email chriswilcutt@mchsi.com.

Sincerely,

McGhee Engineering, Inc.



Chris Wilcutt P.E.
Project Engineer

Cc: North Logan Water District

RECEIVED

JAN 07 2010

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

Name of Utility	North Logan Water District	
Date	December 29, 2009	
Address	3118 Lewisburg Road	
City, State, Zip	Russellville, KY 42276	
Telephone Number	(270) 725-8050	

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.

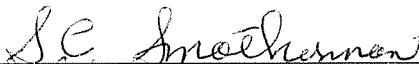
Supplier(s)	Base Rate	Changed Rate
Logan Todd Regional Water Commission	\$3.31/1,000 gallons	\$3.75/1,000 gallons

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	December 2008	through	November 2009
	(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
Logan Todd Regional Water Commission	65,425,000
TOTAL PURCHASES	65,425,000
4. Total sales for the 12 month period	53,609,520
5. Increased water cost	\$28,787
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.54/1,000 gallons
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	March 1, 2009
	
Signature of Utility Officer	
S.C. Smotherman, Chairman	
Title	

FOR North Logan County, Kentucky
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

North Logan Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

Monthly Water Rates

First	2,000 gallons	\$24.62	Minimum Bill
Next	2,000 gallons	11.16	per 1,000 gallons
Next	6,000 gallons	7.35	per 1,000 gallons
Next	15,000 gallons	7.00	per 1,000 gallons
All Over	25,000 gallons	6.65	per 1,000 gallons

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

Exhibit A

Supplier's Notice of Rate Change

LOGAN/TODD REGIONAL WATER COMMISSION

248 Tower Street, P. O. Box 400, Guthrie, KY 42234

Phone: (270) 483-6990, Fax: (270) 483-6691

November 23, 2009

**COMMISSION
MEMBER
ENTITIES**

Adairville

Auburn

East Logan
Water District

Elkton

Guthrie

Lewisburg

North Logan
Water District

Oak Grove

Russellville

South Logan
Water Association

Todd County
Water District

Trenton

Mr. Smokey Smotherman, Chairman
Board of Directors
North Logan Water District
3118 Lewisburg Road
Russellville, KY 42276

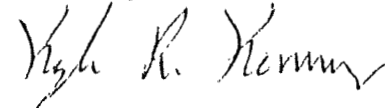
RE: Change in Wholesale Water Rate

Dear Chairman Smotherman and Board Members:

At its November meeting, the Logan/Todd Regional Water Commission voted to change the wholesale water rate to \$3.75 per 1,000 gallons. This new wholesale rate will become effective March 1, 2010.

If you need additional information, please contact this office.

Sincerely,



Kyle R. Kenner
System Manager

KRK/saw

Exhibit B

**Purchase Water Adjustment
Calculation Spreadsheet**

Cost of Water Calculation for Purchased Water Adjustment

Month	Actual (From NLWD Records) Quantity (Gallons)			Cost of Purchased Water	
	Purchased	Sold - Retail	Sold - Resellers	Old Rate	New Rate
December 2008	5,384,000	3,759,000	-	\$ 17,821	\$ 20,190
January 2009	5,700,000	4,123,340	-	\$ 18,867	\$ 21,375
February 2009	5,006,000	4,631,110	-	\$ 16,570	\$ 18,773
March 2009	5,904,000	3,773,730	-	\$ 19,542	\$ 22,140
April 2009	5,235,000	4,244,600	-	\$ 17,328	\$ 19,631
May 2009	5,134,000	4,218,330	-	\$ 16,994	\$ 19,253
June 2006	5,600,000	4,712,120	-	\$ 18,536	\$ 21,000
July 2009	6,062,000	4,902,830	-	\$ 20,065	\$ 22,733
August 2009	5,636,000	5,015,950	-	\$ 18,655	\$ 21,135
September 2009	5,425,000	5,286,370	-	\$ 17,957	\$ 20,344
October 2009	5,401,000	4,928,450	-	\$ 17,877	\$ 20,254
November 2009	4,938,000	4,013,690	-	\$ 16,345	\$ 18,518
TOTALS	65,425,000	53,609,520	-	\$ 216,557	\$ 245,344
Monthly Average	5,452,083	4,467,460	-		

Old LTRWC Wholesale Purchase Rates	
First 1,000 Gallons	\$ 3.31
All Over 1,000 Gallons	\$ 3.31

New LTRWC Wholesale Purchase Rates	
First 1,000 Gallons	\$ 3.75
All Over 1,000 Gallons	\$ 3.75

PWA Factor Calculation	
Cost Difference (New-Old)	\$ 28,787
PWA Factor (\$/1000 gal)	\$ 0.54

Notes:

1. All purchased and sold quantities are from NLWD & LTRWC records.