

# DAVID A. KOENIG

## ATTORNEY AT LAW

223 Main Street  
P.O. Box 6205  
Florence, KY 41022-6205

Phone: (859) 525-6161  
Fax: (859) 525-6194

June 14, 2010

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

2010-00236

RECEIVED

JUN 15 2010

PUBLIC SERVICE  
COMMISSION

Re: **Boone County Water District**  
**Purchased Water Adjustment**

Dear Mr. Derouen:

Pursuant to 807 KAR 5:068 and all applicable law, the Boone County Water District is hereby providing required documentation for a purchased water adjustment. Enclosed you will find the following:

- 1) Purchased water adjustment form;
- 2) Letter from the Boone-Florence Water Commission, supplier to the Boone County Water District, notifying of an increase in wholesale water rates;
- 3) Revised tariff sheets relating to rates and charges for the Boone County Water District reflecting the proposed purchased water adjustment.

Please note that "tank wagon sales" has been increased by \$.28 per 1,000 gallons from \$3.60 per 1,000 gallons to \$3.88 per 1,000 gallons, rather than the \$.26 provided for by the purchased water adjustment calculations. Water haulers purchase tokens in increments of 250 gallons per token. Water haulers can purchase any quantity of tokens. It is best that the rate for 1,000 gallons be divisible by four for "tank wagon sales" so that neither the District nor water haulers need to deal with one-half cent calculations.

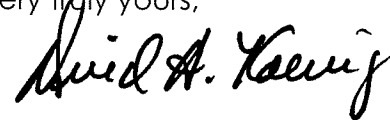
Also enclosed is revised tariff for the Boone County Fiscal Court/Rural Water System. The Boone County Fiscal Court's Rural Water System is operated and maintained by the Boone County Water District pursuant to an operation and maintenance agreement and will be transferred to the Boone County Water District

Mr. Jeff Derouen, Executive Director  
June 14, 2010  
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pursuant to an order of the Public Service Commission in Case No. 2010-00065. However, a closing has not yet been held, and may not be conducted until shortly after the effective date of the new water rates provided by the purchased water adjustment.

Thanking you for your consideration, and with kindest regards, I remain,

Very truly yours,

A handwritten signature in black ink that reads "David A. Koenig". The signature is written in a cursive style with a large, stylized initial 'D'.

DAVID A. KOENIG

DAK:as  
enclosures

RECEIVED

JUN 15 2010

PUBLIC SERVICE  
COMMISSION

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

2010-00236

Name of Utility	BOONE COUNTY WATER DISTRICT	
Date	June 14, 2010	
Address	P.O. Box 18 -- 2475 Burlington Pike	
City, State, Zip	Burlington, KY	41005
Telephone Number	(859) 586-6155	

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
Boone-Florence Water		
Commission	2.65	2.89

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	May, 2009	through	April, 2010
	(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
Boone-Florence Water Commission	2,289,823,432
<b>TOTAL PURCHASES</b>	2,289,823,432
4. Total sales for the 12 month period	2,119,162,406
5. Increased water cost	549,557,623.68
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.26
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.  <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.	
7. Proposed effective date	July 1, 2010
	
Signature of Utility Officer	
Manager	
Title June 14, 2010	

# BOONE - FLORENCE WATER COMMISSION



Phil Trzop, Manager  
Boone County Water District  
P.O. Box 18  
Burlington, KY 41005

Re: Change in Rates

Dear Phil:

On May 28, 2010, the commissioners of the Boone-Florence Water Commission approved a new rate in the amount of \$2.89 per 1,000 gallons for water sales effective July 1, 2010. The Commission is required to institute this change in rates because the Commission will be unable to meet the coverage requirements imposed in its bond covenants absent a rate increase.

This is the first increase since the original rate came into effect in March, 2003. Our supplier has been increasing rates throughout the last seven years, but we have been able to absorb the increases and remain in compliance with our bond covenants until the present, thereby necessitating this new rate.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Carl Caspell".

CARL CASSELL, Manager

CC:as

FOR ENTIRE SERVICE AREA

PSC KY NO. 1

Revised SHEET NO. 18A

CANCELLING PSC KY NO. 1

Revised SHEET NO. 18

BOONE COUNTY WATER DISTRICT  
(NAME OF UTILITY)

**RATES AND CHARGES**

APPLICABLE: ENTIRE SERVICE AREA OF BOONE COUNTY

AVAILABILITY OF SERVICE: ALL CUSTOMERS

RATES: SCHEDULE "A" APPLIES TO ALL CUSTOMERS EXCEPT MULTIPLE OCCUPANCY BUILDINGS AND MOBILE HOME PARKS.

SCHEDULE "B" APPLIES ONLY TO MULTIPLE OCCUPANCY BUILDINGS AND MOBILE HOME PARKS.

**SCHEDULE "A"**

(I)	FIRST 3,000	GALLONS EACH MONTH	\$16.23 MINIMUM CHARGE
	NEXT 2,000	GALLONS EACH MONTH	\$ 4.91 EACH 1,000
	NEXT 5,000	GALLONS EACH MONTH	\$ 4.66 EACH 1,000
	ALL OVER 10,000	GALLONS EACH MONTH	\$ 3.91 EACH 1,000

**SCHEDULE "B"**

(I)	FIRST 3,000	GALLONS EACH MONTH	\$16.23 MINIMUM CHARGE
	NEXT 2,000	GALLONS EACH MONTH	\$ 5.41 EACH 1,000
	NEXT 5,000	GALLONS EACH MONTH	\$ 4.91 EACH 1,000
	NEXT 140,000	GALLONS EACH MONTH	\$ 4.66 EACH 1,000
	ALL OVER 150,000	GALLONS EACH MONTH	\$ 3.91 EACH 1,000

DATE OF ISSUE June 14, 2010

MONTH / DATE / YEAR

DATE EFFECTIVE July 1, 2010

MONTH / DATE / YEAR

ISSUED BY 

SIGNATURE OF OFFICER

TITLE General Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

FOR ENTIRE SERVICE AREA

PSC KY NO. 1

Revised SHEET NO. 19A

BOONE COUNTY WATER DISTRICT  
(NAME OF UTILITY)

CANCELLING PSC KY NO. 1

Revised SHEET NO. 19

### RATES AND CHARGES

#### MINIMUM CHARGE:

The following is the monthly minimum charge for each size meter and for each rate schedule:

		SCHEDULE "A"	SCHEDULE "B"
(I) 5/8 & 3/4 INCH METER	3,000 GALLONS	\$ 16.23	\$ 16.23
1-INCH METER	5,000 GALLONS	\$ 26.05	\$ 27.05
1-1/2 INCH METER	9,000 GALLONS	\$ 44.69	\$ 46.69
2 INCH METER	11,000 GALLONS	\$ 53.26	\$ 56.26
3 INCH METER	21,000 GALLONS	\$ 92.36	\$ 102.86
4 INCH METER	29,000 GALLONS	\$ 123.64	\$ 140.14
6 INCH METER AND LARGER	100,000 GALLONS	\$ 401.25	\$ 471.00
And greater			

#### TANK WAGON SALES:

(I) ALL USAGE \$3.88 PER 1,000 GALLONS  
(must be divisible by 4 to accommodate tokens)

#### PENALTIES:


There is a ten percent penalty for late payment, which is provided for in section XX-(B) of the rules and regulations.

#### CHECK CHARGES:

There is a \$20.00 charge for checks, personal or business returned to the District uncollectable because of "insufficient funds", "account closed", or other reasons for uncollectability by the District through the payee bank.

DATE OF ISSUE June 14, 2010  
MONTH / DATE / YEAR

DATE EFFECTIVE July 1, 2010  
MONTH / DATE / YEAR

ISSUED BY   
SIGNATURE OF OFFICER

TITLE General Manager

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

FOR ENTIRE SERVICE AREA

PSC KY NO. 1

BOONE COUNTY FISCAL COURT/  
RURAL WATER SYSTEM  
(NAME OF UTILITY)

Revised SHEET NO. 1

CANCELLING PSC KY NO. 1

Original SHEET NO. 1

**RATES AND CHARGES**

APPLICABLE: ENTIRE SERVICE AREA

AVAILABILITY OF SERVICE: ALL CUSTOMERS

The following rates and charges are prescribed for the customers in the area served by Subdistricts A and B of the County of Boone and all other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the commission prior to February 1, 2006.

Monthly Water Rates

**SCHEDULE A:** All customers except multiple occupancy buildings and mobile home parks.

(I)

FIRST 3,000	GALLONS EACH MONTH	\$16.23 MINIMUM CHARGE
NEXT 2,000	GALLONS EACH MONTH	\$ 4.91 EACH 1,000
NEXT 5,000	GALLONS EACH MONTH	\$ 4.66 EACH 1,000
ALL OVER 10,000	GALLONS EACH MONTH	\$ 3.91 EACH 1,000

**SCHEDULE B:** Multiple occupancy buildings and mobile home parks.

(I)

FIRST 3,000	GALLONS EACH MONTH	\$16.23 MINIMUM CHARGE
NEXT 2,000	GALLONS EACH MONTH	\$ 5.41 EACH 1,000
NEXT 5,000	GALLONS EACH MONTH	\$ 4.91 EACH 1,000
NEXT 140,000	GALLONS EACH MONTH	\$ 4.66 EACH 1,000
ALL OVER 10,000	GALLONS EACH MONTH	\$ 3.91 EACH 1,000

DATE OF ISSUE June 14, 2010

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DATE EFFECTIVE July 1, 2010

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ISSUED BY

SIGNATURE OF OFFICER

TITLE

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. DATED



FOR ENTIRE SERVICE AREA

PSC KY NO. 1

Revised SHEET NO. 1

CANCELLING PSC KY NO. 1

Original SHEET NO. 1

BOONE COUNTY FISCAL COURT/  
RURAL WATER SYSTEM

(NAME OF UTILITY)

Minimum Bill for Each Meter Size

		SCHEDULE "A"	SCHEDULE "B"
3/4 INCH METER	3,000 GALLONS	\$ 16.23	\$ 16.23
1-INCH METER	5,000 GALLONS	\$ 26.05	\$ 27.05
1-1/2 INCH METER	9,000 GALLONS	\$ 44.69	\$ 46.69
2 INCH METER	11,000 GALLONS	\$ 53.26	\$ 56.26
3 INCH METER	21,000 GALLONS	\$ 92.36	\$ 102.86
4 INCH METER	29,000 GALLONS	\$ 123.64	\$ 140.14
6 INCH METER AND LARGER	100,000 GALLONS	\$ 401.25	\$ 471.00
And greater			

(I)


A surcharge of \$25.00 per month will be assessed to each customer of Subdistricts A and B for each 10,000 gallons or any portion thereof of water consumed each month.

DATE OF ISSUE June 14, 2010

MONTH / DATE / YEAR

DATE EFFECTIVE July 1, 2010

MONTH / DATE / YEAR

ISSUED BY 

SIGNATURE OF OFFICER

TITLE General Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_