

Madison County Utilities District 297 Michelle Dr.

P O Box 670 ♦ Richmond KY 40476-0670 ♦ 859-624-1735 ♦ Fax 859-623-8220

June 12, 2012

Executive Director
Kentucky Public Service Commission
211 Sower Blvd
PO Box 615
Frankfort, KY 40602-0615

Office of the Attorney General
Rate Intervention Division
100 Perimeter Park
Frankfort, KY 40602

RECEIVED

JUN 15 2012

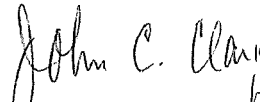
PUBLIC SERVICE
COMMISSION

Re: Purchased Water Adjustment Filing

Madison County Utilities District is requesting a Purchase Water Adjustment. Enclosed are the filing forms and supporting documentation. This filing is made pursuant a rate increase from our wholesale provider Richmond Utilities. Madison County Utilities District will publish the enclosed notice (Exhibit 4) no later than June 18, 2012.

Should you have questions or require additional information please feel free to contact me at 859-624-1735.

Sincerely,


John C. Clark
Manager

by Jeanne Michaels

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

RECEIVED

JUN 15 2012

PUBLIC SERVICE
COMMISSION

Name of Utility	Madison County Utilities District	
Date	June 12, 2012	
Address	P.O. Box 670	
City, State, Zip	Richmond, KY	40476-0670
Telephone Number	859.624-1735	

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
Richmond Utilities	\$2.17 per 100 cu ft	\$2.24 per 100 cu ft

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit #1

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, 2011	through	April, 2012
	(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
Richmond Utilities		90,048,215cu ft
TOTAL PURCHASES		90,048,215cu ft
4. Total sales for the 12 month period		\$3,988,164.89
5. Increased water cost		\$63,033.75
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 per 100 cu ft
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		July 1, 2012
		
Signature of Utility Officer		
Title		

List of Exhibits

Exhibit #1 – Suppliers Notice

Exhibit #2 – Water Purchased / Water Sold (5/1/11 to 4/30/12)

Exhibit #3 – Calculations

Exhibit #4 – Proposed Billing Rates



Richmond Water, Gas & Sewerage Works

P.O. Box 700
Richmond, Kentucky 40476-0700
Telephone 1-859-623-2323
FAX 1-859-624-0805

June 7, 2012

Madison County Utility District
Attn: Jim Carr/John Clark
PO BOX 670
Richmond, KY 40476-0670

Dear Jim/John:

NOTICE

Richmond Utilities ("RU") has filed a proposed rate schedule which will increase the rate for water service provided as follows:

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>% Difference</u>
Kirksville Water Association	\$2.17/100 Cu Ft	\$2.24/100 Cu Ft	3.0% Increase
Madison County Utility District	\$2.17/100 Cu Ft	\$2.24/100 Cu Ft	3.0% Increase

The proposed effective date is July 1, 2012, usage on or after this date.

The rates contained in this notice are the rates proposed by RU. However, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Any person who has been granted intervention by the Public Service Commission may obtain copies of the rate application and any other filings made by RU by contacting Scott Althausser at the offices of RU, 300 Hallie Irvine Street in Richmond, Kentucky; telephone 859-623-2323.

Any person may examine the rate application and other filings made by RU by visiting the offices of RU at 300 Hallie Irvine Street or by contacting the Public Service Commission at 211 Sower Boulevard in Frankfort, Kentucky; telephone 502-564-3940.

Sincerely,

Scott Althausser
General Manager

Cc: Greg Puckett, Counsel
Madison County Fiscal Court



Madison County Utilities District					
2011 Water Purchased			2011 Water Sold		
	Cubic Feet	Gallons		Cubic Feet	Gallons
Jan	6,547,100	48,972,308	Jan	5,866,152	43,878,817
Feb	6,502,800	48,640,944	Feb	5,229,846	39,119,248
Mar	6,768,900	50,631,372	Mar	5,435,005	40,653,837
Apr	6,891,100	51,545,428	Apr	6,075,632	45,445,727
May	7,597,300	56,827,804	May	5,597,931	41,872,524
June	8,209,300	61,405,564	June	8,737,727	65,358,198
July	8,755,500	65,491,140	July	7,451,925	55,740,399
Aug	8,007,015	59,892,472	Aug	6,766,775	50,615,477
Sept	8,118,800	60,728,624	Sept	6,895,179	51,575,939
Oct	6,763,500	50,590,980	Oct	6,162,828	46,097,953
Nov	6,841,900	51,177,412	Nov	5,604,456	41,921,331
Dec	7,512,600	56,194,248	Dec	5,673,762	42,439,740
Total 2011	88,515,815	662,098,296		75,497,218	564,719,191
2012 Water Purchased			2012 Water Sold		
Jan	6,690,300	50,043,444	Jan	6,127,531	45,833,932
Feb	6,871,600	51,399,568	Feb	5,359,581	40,089,666
Mar	7,667,400	57,352,152	Mar	5,550,381	41,516,850
Apr	7,013,000	52,457,240	Apr	6,000,148	44,881,107
Total 2012	28,242,300	211,252,404	Grand Total	23,037,641	172,321,555
12 Month History-2011		Billed	History for 2012		Billed
Jan		\$ 502,337.34	Jan		\$ 324,046.85
Feb		\$ 284,015.88	Feb		\$ 291,324.80
Mar		\$ 291,891.45	Mar		\$ 298,632.99
Apr		\$ 232,270.16	Apr		\$ 317,869.39
May		\$ 326,891.67			
Jun		\$ 399,705.70			
Jul		\$ 382,344.26			
Aug		\$ 353,246.78			
Sept		\$ 359,427.81			
Oct		\$ 326,543.33			
Nov		\$ 302,155.42			
Dec		\$ 305,975.89			
Total		\$ 4,066,805.69			\$ 1,231,874.03

Exhibit #3

MCUD Calculations

5. Increased Water Cost:

$$\text{\$2.17/100 cu ft to \$2.24/100 cu ft} = \text{\$0.07}$$

$$90,048,215 \times \text{\$0.07} / 100 \text{ cu ft} = \text{\$63,033.75}$$

6. Purchase Water Adjustment Factor:

$$\text{\$63,033.75} / 759,282.24 \text{ (100 cu ft)} = \text{\$0.083 (\$0.08 per 100 cu ft)}$$

Exhibit 4

MCUD Proposed Water Rates

First	280 cubic feet	\$15.45	Minimum Bill
Next	720 cubic feet	\$4.86	per 100 cubic feet
Next	3,000 cubic feet	\$4.64	per 100 cubic feet
Next	8,000 cubic feet	\$4.45	per 100 cubic feet
Next	88,000 cubic feet	\$4.26	per 100 cubic feet
Over	100,000 cubic feet	\$3.95	per 100 cubic feet