

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BARKLEY LAKE )	CASE NO.
WATER DISTRICT FOR A RATE ADJUSTMENT )	2021-00454
PURSUANT TO 807 KAR 5:076 )	

ORDER

On December 15, 2021, Barkley Lake Water District (Barkley Lake District) filed an application with the Commission, pursuant to 807 KAR 5:076, requesting to adjust its rates for water service. The application was filed pursuant to the Commission's Order in Case No. 2020-00326.<sup>1</sup> In its application, Barkley Lake District requested rates that would increase annual water sales revenues by \$155,315, a 5.97 percent increase to pro forma present rate water sales revenues.

To ensure the orderly review of the application, the Commission established a procedural schedule by Order dated January 5, 2022, which, among other things, required the Commission Staff to file a report containing its findings regarding Barkley Lake District's application. On February 18, 2022, Barkley Lake District responded to Commission Staff's First Request for Information (Staff's First Request). On March 18, 2022, Barkley Lake District responded to Commission Staff's Second Request for Information.

---

<sup>1</sup> Case No. 2020-00326, *Electronic Application of the Barkley Lake Water District to Issue Securities in the Approximate Principal Amount of \$5,230,000 for the Purpose of Refunding and Reamortizing Certain Outstanding Obligations of the District Pursuant to the Provisions of KRS 278.300 And 807 KAR 5:001* (Ky. PSC Nov. 2, 2020) at 5, ordering paragraph 5.

Pursuant to the January 5, 2022, Order, Commission Staff issued a report (Commission Staff's Report) on April 28, 2022 summarizing its findings regarding Barkley Lake District's requested rate adjustment. In the Commission Staff's Report, Commission Staff found, among other things, that Barkley Lake District's adjusted test-year operations support an overall revenue requirement of \$3,046,619 and that an annual revenue increase of \$386,587, or 14.85 percent, is necessary to generate the overall revenue requirement.

On May 12, 2022, Barkley Lake District filed its comments on Commission Staff's Report accepting the findings of Commission Staff and recommended rates. However, Barkley Lake District took exception to the removal of labor expenses from certain nonrecurring charges. With its comments, Barkley Lake District waived its right to an informal conference or hearing.<sup>2</sup>

On May 23, 2022, the Commission issued an Order to Barkley Lake District to publish a one-time notice within 14 days following 807 KAR 5:076, Section 5, of the water rates as reflected in Commission Staff's Report. On June 22, 2022, Barkley Lake District filed proof of the one-time notice to its customers.<sup>3</sup>

#### LEGAL STANDARD

Alternative rate adjustment proceedings, such as this one, are governed by 807 KAR 5:076, which establishes a simplified process for small utilities to use to request rate adjustments, with the process designed to be less costly to the utility and to the utility ratepayers. The Commission's standard of review of a utility's request for a rate increase

---

<sup>2</sup> Barkley Lake District's Response to the Commission Staff's Report (filed May 12, 2022).

<sup>3</sup> Notice of Publication (filed June 22, 2022).

is well established. In accordance with KRS 278.030 and case law, Barkley Lake District is allowed to charge its customers “only ‘fair, just and reasonable rates.’”<sup>4</sup> Further, Barkley Lake District bears the burden of proof to show that the proposed rate increase is just and reasonable under KRS 278.190(3).

### BACKGROUND

Barkley Lake District is a water district organized pursuant to KRS Chapter 74. It owns and operates a water distribution system through which it provides water service to approximately 5,434 residential customers, 92 commercial customers, and 5 industrial customers in Caldwell, Christian, and Trigg Counties, Kentucky.<sup>5</sup> Barkley Lake District does not purchase water; rather, it produces its own water. This is Barkley Lake District’s first general rate adjustment since April 29, 2003.<sup>6</sup>

### RATE CASE FREQUENCY

In Case No. 2019-00041 and the resulting investigative report, the Commission discussed the problems that can occur when utilities avoid a review of their financial records.<sup>7</sup> A key recommendation from that investigative report was that water districts should monitor the sufficiency of their base rates closely and, in general, apply for base rate adjustments on a more frequent basis.<sup>8</sup> In light of its findings in Case No. 2019-

---

<sup>4</sup> *City of Covington v. Public Service Commission*, 313 S.W.2d 391 (Ky. 1958); and *Pub. Serv. Comm’n v. Com. of Kentucky v. Dewitt Water District*, 720 S.W.2d 725 (Ky. 1986).

<sup>5</sup> *Annual Report of Barkley Lake District Water District to the Public Service Commission for the Calendar Year Ended December 31, 2020 (2020 Annual Report)* at 12 and 49.

<sup>6</sup> Case 2003-00042, *The Application of Barkley Lake Water District for an Approval of a Proposed Increase in Rates for Water Service*, (Ky. PSC Apr. 29, 2003).

<sup>7</sup> Case No. 2019-00041, *Electronic Investigation into Excessive Water Loss by Kentucky’s Jurisdictional Water Utilities* (Ky. PSC. Nov. 22, 2019), Order.

<sup>8</sup> Case No. 2019-00041, Nov. 22, 2019 Order.

00041, the Commission noted in Case No. 2020-00326<sup>9</sup> that Barkley Lake District had not sought a general base rate adjustment since 2003.<sup>10</sup> Because it had been more than 18 years since the Commission last reviewed Barkley Lake District's rate sufficiency and financial records, the Commission required Barkley Lake District to file an application within one year of the date of filing the Order for either a traditional adjustment in rates or for an alternative rate adjustment to ensure its revenue is sufficient to support adequate and reliable service.<sup>11</sup>

The Commission recommends that Barkley Lake District conduct internal financial reviews on an annual basis to ensure that its water rates are sufficient. The Commission also recommends that Barkley Lake District's Board of Commissioners consider filing periodic rate cases with the Commission every three to five years and implement a written policy to that effect to maintain a regular review of the utility's finances. These are good practices to ensure that there is not an 18-year gap between base rate cases in the future. If Barkley Lake District needs assistance in conducting its annual internal rate reviews to ensure the sufficiency of its rates, Barkley Lake District can request the Commission to allow its Financial Analysis Staff to provide its assistance with the annual rate analysis.

#### TEST PERIOD

The calendar year ended December 31, 2020, was used as the test year to determine the reasonableness of Barkley Lake District's existing and proposed water rates as required by 807 KAR 5:076, Section 9.

---

<sup>9</sup> Case No. 2020-00326, Nov. 2, 2020 Order at 5, ordering paragraph 5.

<sup>10</sup> Case No. 2003-00042, Apr 29, 2003 Order at 2.

<sup>11</sup> Case No. 2020-00326, Nov. 2, 2020 Order at 5, ordering paragraph 5.

## SUMMARY OF REVENUE AND EXPENSES

The Commission Staff's Report summarizes Barkley Lake District's pro forma income statement as follows:

	<u>2020 Test Year</u>	<u>Pro Forma Adjustments</u>	<u>Commission Staff's Report Pro Forma</u>
Total Operating Revenues	\$ 2,464,934	\$ 145,031	\$ 2,609,965
Utility Operating Expenses	<u>2,614,178</u>	<u>(269,293)</u>	<u>2,344,885</u>
Net Utility Operating Income	(149,244)	414,324	265,080
Interest and Dividend Income	24,486	-	24,486
Nonutility Income	<u>29,415</u>	<u>(3,834)</u>	<u>25,581</u>
Total Utility Operating Income	<u>\$ (95,343)</u>	<u>\$ 410,490</u>	<u>\$ 315,147</u>

## MODIFICATIONS TO STAFF'S FINDINGS

Barkley Lake District proposed adjustments to revenues and expenses to reflect current and expected operating conditions. In Commission Staff's Report, Commission Staff proposed additional adjustments. The Commission accepts the findings contained in Commission Staff's Report.

Billing Analysis. In Commission Staff's Report, Commission Staff recommended the Commission accept Barkley Lake District's proposed increase of \$143,335<sup>12</sup> to reflect Barkley Lake District's current billing analysis. The Commission finds that this adjustment is reasonable as an examination of Barkley Lake District's billing analysis was completed by Commission Staff and a normalized revenue was based on the information provided.

Miscellaneous Service Revenue. In Commission Staff's Report, Commission Staff discussed Barkley Lake District's Nonrecurring Charges<sup>13</sup> in which estimated labor costs,

---

<sup>12</sup> Commission Staff's Report at 7–8, Adjustment A.

<sup>13</sup> Commission Staff's Report at 5–6.

previously included in determining the amount of Nonrecurring Charges, are removed. Commission Staff recommended revised Nonrecurring Charges and a reduction to Nonutility Income of \$3,834 and an increase to Other Operating Revenues of \$1,696.<sup>14</sup>

In its Response to Commission Staff's Report, Barkley Lake District disagreed with the recommendation to remove labor costs as Barkley Lake District believes the costs associated with these charges should be borne by those who caused them. The Commission continues to follow its previous decisions regarding Nonrecurring Charges<sup>15</sup> because personnel are paid during normal business hours and their salaries are recovered through rates. Allowing a utility to recover the same labor expense twice is not fair, just and reasonable. Therefore, estimated labor costs previously included in determining the amount of Nonrecurring Charges shall be eliminated from the charges. The Commission finds that the calculation of Nonrecurring Charges shall be revised, and only the marginal costs related to the service shall be recovered through a special nonrecurring charge for service provided during normal working hours. The Commission requires that charges be directly related to the actual cost incurred to provide the service. It is unreasonable to allocate an expense already incurred as a day-to-day cost of maintaining a system, such as the salary of a distribution operator, to a nonrecurring service such as the connection and reconnection of a meter during normal working hours. Barkley Lake District's claims of unfairness of removing these costs do

---

<sup>14</sup> Commission Staff's Report at 8–9, Adjustment B.

<sup>15</sup> See Case No. 2020-00141, *Electronic Application of Hyden-Leslie County Water District for an Alternative Rate Adjustment* (Ky. PSC Nov. 6, 2020).

not outweigh the mismatch of costs and revenues or the double recovery of expenses already recovered in rates.

The nonrecurring charges shall each be reduced by the estimated labor costs stated in the cost justification sheets. The Commission finds the revised nonrecurring charges set out in Appendix B and the increase of \$1,696 to Other Operating Revenue, and the decrease to Nonutility Income of \$3,834 to be reasonable.

Salaries and Wages – Employees. In Commission Staff's Report, Commission Staff recommended an increase to Barkley Lake District's Salaries and Wages - Employees of \$19,634<sup>16</sup> to reflect the change in the number of full and part-time employees and changes to salaries and wage rates. The Commission finds that this adjustment is a known and measurable<sup>17</sup> change to Salaries and Wages – Employees and is accepted.

Employee Pensions and Benefits – Retirement. In Commission Staff's Report, Commission Staff recommended a decrease to Barkley Lake District's Employee Pension and Benefits Expense of \$142,665<sup>18</sup> to reflect the increase in Salaries and Wages as well as the decrease in the CERS contribution rate subsequent to the test year. The

---

<sup>16</sup> Commission Staff's Report at 9–10, Adjustment C.

<sup>17</sup> Commission regulation 807 KAR 5:076, Section 9, sets the standard for the determination of the reasonableness of proposed rates and states, in pertinent part, that the test period shall be "adjusted for known and measurable changes." See also Case No. 2001-00211, *The Application of Hardin County Utilities District No. 1 for (1) Issuance of Certificate of Public Convenience and Necessity; (2) Authorization to Borrow Funds and to Issue its Evidence of Indebtedness therefor; (3) Authority to Adjust Rates; and (4) Approval to Revise and Adjust Tariff* (Ky. PSC Mar. 1, 2002); Case No. 2002-00105, *Application of Northern Kentucky Utilities District for (A) an Adjustment of Rates; (B) a Certificate of Public Convenience and Necessity for Improvements to Water Facilities if Necessary; and (C) Issuance of Bonds* (Ky. PSC June 25, 2003); Case No. 2017-00417, *Electronic Proposed Adjustment of the Wholesale Water Service Rates of Lebanon Water Works* (Ky. PSC July 12, 2018).

<sup>18</sup> Commission Staff's Report at 10–12, Adjustment D

Commission finds that this adjustment is a known and measurable change to Employee Pensions and Benefits, is reasonable and is accepted.

Employee Pensions and Benefits – Health Insurance. In Commission Staff's Report, Commission Staff recommended a decrease to Barkley Lake District's Employee Pensions and Benefits of \$34,998<sup>19</sup> to reflect the adjustment of Single Health Insurance premiums paid by Barkley Lake District from 100 percent to 78 percent, and Family Health Insurance premiums to 66 percent. In addition, Commission Staff reduced an Employee's Medicare Supplement along with a Prescription Drug plan from 100 percent to 66 percent and made an adjustment to reflect the reduction of Dental and Vision Insurance paid from 100 percent to 40 percent. The Commission finds that this adjustment is a known and measurable change to Employee Pensions and Benefits, is reasonable and is accepted.

Employee Pensions and Benefits – Commissioners' Benefits. In Commission Staff's Report, Commission Staff recommended a decrease to Barkley Lake District's Employee Pensions and Benefits of \$4,616<sup>20</sup> to reflect the removal of benefits paid to Barkley Lake District's commissioners. Barkley Lake District was unable to provide a copy of the fiscal court minutes, or the board meeting minutes where the benefits were authorized.<sup>21</sup> The Commission finds that members of a water district's board of commissioners are not entitled to receive any compensation other than that specifically

---

<sup>19</sup> Commission Staff's Report at 12–14, Adjustment E.

<sup>20</sup> Commission Staff's Report at 14–16, Adjustment F.

<sup>21</sup> Barkley Lake District's Response to Staff's Second Request, Item 5a.

authorized under KRS Chapter 74. In Case No. 2019-00268<sup>22</sup>, the Commission found that:

Since water district commissioners are vested with all relevant powers to manage and oversee water districts, except for the power to fix their salary authorized by KRS 74.020(6), which is assigned to the county judge-executive and fiscal court, a water district would be unable to provide its commissioner's health insurance and other similar benefits without an official action by the water district commissioners. Thus, by prohibiting water district commissioners from participating in official actions that directly benefit themselves financially, the General Assembly effectively prohibited water districts from receiving additional benefits to compensate them for their work on the board, which further indicates the General Assembly's intent to limit the total compensation of water district commissioners to amounts specifically authorized by statute. The Commission finds that the General Assembly intended to limit water districts' total compensation to commissioners for their service on a water district's board to amounts specifically authorized by KRS Chapter 74. Therefore, the Commission finds that Knott District may not offer benefits to the Commissioners on the Knott District Board of Commissioners pursuant to KRS Chapter 74 and should cease doing so immediately.

The Commission finds that this adjustment is a known and measurable change to Employee Pensions and Benefits, is reasonable and is accepted. Furthermore, the Commission admonishes Barkley Lake District for not properly recording the minutes of its board meetings.

Employee Pensions and Benefits – Commissioners' Salaries. As discussed above, Barkley Lake District was unable to provide a copy of the fiscal court minutes in which the commissioners' compensation was decided. Barkley Lake District stated, "They are paid \$150 per month. I have gone back through our records which go back to

---

<sup>22</sup> Case No. 2019-00268, *Application of Knott County Water and Sewer District for an Alternative Rate Adjustment* (Ky. PSC Jan. 31, 2020)

2014. They were receiving that salary at that time, also. Not sure who set that amount. I called the judge's office, but they could not provide me with any information.”<sup>23</sup> The Commission finds that Barkley Lake District should seek fiscal court approval for the Commissioners' Salaries, dated back to the date it began to pay commissioner's salaries at the next fiscal court session.

Barkley Lake District did not provide the fiscal court minutes as recommended in Commission's Staffs Report, and there is no evidence on record authorizing commissioner compensation. Therefore, the Commission finds that the commissioner's Salaries are disallowed and a decrease to Revenue Requirement of \$9,000 is required.

Depreciation. In Commission Staff's Report, Commission Staff recommended a decrease to Barkley Lake District's Depreciation Expense of \$108,151<sup>24</sup> to reflect the adjustment of the useful life of capital assets to the midpoint of the National Association of Regulatory Utility Commissioners depreciation study. The Commission finds that this adjustment is a known and measurable change to Depreciation expense, is reasonable and is accepted.

Taxes Other than Income – FICA. In Commission Staff's Report, Commission Staff recommended an increase to Barkley Lake District's Employee Pensions and Benefits Expense by \$1,502<sup>25</sup> to account for the increased contribution amount of pro forma wage adjustment multiplied by the FICA percentage rate of 7.65 percent. The

---

<sup>23</sup> Barkley Lake District's Response to Staff's Second Request, Item 6.

<sup>24</sup> Commission Staff's Report at 16-17, Adjustment G.

<sup>25</sup> Commission Staff's Report at 17-18, Adjustment H.

Commission finds that this adjustment, is a known and measurable change to Taxes Other than Income, is reasonable, and is accepted.

Based on the Commission's findings discussed above, the following table summarizes Barkley Lake District's adjusted pro forma operations:<sup>26</sup>

	<u>Commission Staff's Report Pro Forma</u>	<u>Commission Adjustments</u>	<u>Final Pro Forma</u>
Total Operating Revenues	\$2,609,965	-	\$2,609,965
Utility Operating Expenses	<u>2,344,885</u>	<u>\$ (9,000)</u>	<u>2,335,885</u>
Net Utility Operating Income	265,080	9,000	274,080
Interest and Dividend Income	24,486	-	24,486
Nonutility Income	<u>25,581</u>	<u>-</u>	<u>25,581</u>
Total Utility Operating Income	<u><u>\$ 315,147</u></u>	<u><u>\$ 9,000</u></u>	<u><u>\$ 324,147</u></u>

### REVENUE REQUIREMENTS

Based upon the Commission's findings and determinations herein, Barkley Lake District requires an increase in revenues of \$377,587 or 14.50 percent, above pro forma present rate revenues as shown below:

---

<sup>26</sup> See Appendix A for a complete pro forma.

Pro Forma Operating Expenses	\$2,335,885
Plus: Average Annual Principal and Interest Payments	584,778
Additional Working Capital	<u>116,956</u>
Total Revenues Requirement	3,037,619
Less: Other Operating Revenue	(6,288)
Non-Operating Revenue	(25,581)
Interest Income	<u>(24,486)</u>
Revenue Required From Water Sales	2,981,264
Revenue from Sales at Present Rates	<u>(2,603,677)</u>
Required Revenue Increase	<u>\$ 377,587</u>
Percentage Increase	<u>14.50%</u>

### RATE DESIGN

Barkley Lake District proposed to increase all of its monthly retail water service rates by percentage across the board. Barkley Lake District has not performed a cost-of-service study (COSS). Barkley Lake District stated that it did not complete a COSS at this time as there has been no material changes in the water system.<sup>27</sup> The Commission has previously found that the allocation of a revenue increase evenly across the board to a utility's rate design is appropriate when there has been no evidence entered into the record demonstrating that this method is unreasonable and in the absence of a COSS. The Commission finds that in the absence of a cost-of-service study, the proposed across-the-board method is an appropriate and equitable method to allocate the increased cost to Barkley Lake District's customers.

The rates set forth in Appendix B are based upon the revenue requirement the Commission has found to be fair, just and reasonable, as calculated by Commission Staff,

---

<sup>27</sup> Barkley Lake District's Response to Staff's First Request, Item 13.

and will produce sufficient revenues from water sales to recover the \$2,981,264 Revenue Required from Rates, an approximate 14.50 percent increase. The monthly bill of a typical residential customer using 4,000 gallons of water will increase from \$36.46 to \$41.74, an increase of \$5.28, or 14.48 percent.

### FINDINGS

After consideration of the evidence of record and being otherwise sufficiently advised, the Commission finds that the findings contained in Commission Staff's Report, as modified in this Order, are supported by the evidence of record and are reasonable. The Commission has historically used a Debt Service Coverage (DSC) method to calculate the revenue requirement for water districts or associations with outstanding, long-term debt. Application of the Commission's DSC method to Barkley Lake District's pro forma operations result in an Overall Revenue Requirement of \$3,037,619. The Commission finds that a revenue increase of \$377,587 from water service rates is necessary to generate the overall revenue requirement.

The Commission further finds that the water service rates proposed by Barkley Lake District are be denied. The Commission finds that the water service rates and nonrecurring charges set forth in Appendix B to this Order are fair, just and reasonable and approved for service rendered on or after the date of this Order.

The Commission also finds that Barkley Lake District shall seek fiscal court approval for the Commissioners' Salaries, dated back to the date it began to pay commissioner's salaries at the next fiscal court session.

IT IS THEREFORE ORDERED that:

1. The findings contained in the Commission Staff's Report are adopted as modified in this Order and incorporated by reference as if fully set out in this Order.
2. The general service rates proposed by Barkley Lake District are denied.
3. Barkley Lake District shall seek fiscal court approval for the commissioners' salaries at the next session, dated back to the date it began to pay commissioners' salaries. This document shall include this case number and shall be filed in the post-case correspondence file within 20 days of the date of the fiscal court session during which approval is obtained.
4. The rates set forth in Appendix B to this Order are approved for services rendered by Barkley Lake District on and after the date of this Order.
5. Within 20 days of the date of service of this Order, Barkley Lake District shall file with this Commission, using the Commission's electronic Tariff Filing System, new tariff sheets setting forth the rates and charges approved in this order and their effective date, and stating that the rates and charges were authorized by this Order.
6. Barkley Lake District shall use the midpoint of the depreciable lives of the National Association of Regulatory Utility Commissioners ranges, as proposed in the application and agreed upon by Commission Staff, to depreciate water plant assets for accounting purposes in all future reporting periods. No adjustment to accumulated depreciation or retained earnings shall be made to account for this change in the accounting estimate.
7. This case is closed and removed from the Commission's docket.

PUBLIC SERVICE COMMISSION

  
Chairman

\_\_\_\_\_  
Vice Chairman

  
Commissioner



ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2021-00454 DATED SEP 13 2022

	<u>Test Year</u>	<u>Staff Report Adjustment</u>	<u>Commission Adjustments</u>	<u>Final Pro Forma</u>
Operating Revenues				
Total Metered Water Sales	\$ 2,315,474	\$ 143,335		\$ 2,458,809
Sales for Resale	144,868			144,868
Other Water Revenues	4,592			4,592
Miscellaneous Service Revenue		1,696		1,696
Total Operating Revenues	\$ 2,464,934	\$ 145,031	\$ -	\$ 2,609,965
Operating Expenses				
Operation and Maintenance Expenses				
Salaries and Wages - Employees	698,333	19,634		717,967
Salaries and Wages - Officers	9,000		(9,000)	-
Employee Pensions and Benefits	521,404	(142,665)		
		(34,998)		
		(4,616)		339,125
Purchased Water				
Purchased Power	158,317			158,317
Chemicals	122,925			122,925
Materials and Supplies	220,415			220,415
Contractual Services	77,859			77,859
Transportation Expenses	32,381			32,381
Insurance	45,054			45,054
Bad Debt Expense	3,033			3,033
Miscellaneous Expense	6,823			6,823
Total Operation and Maintenance Expenses	1,895,544	(162,645)	(9,000)	1,723,899
Depreciation	661,448	(108,151)		553,297
Taxes Other Than Income	57,186	1,502		58,688
Utility Operating Expenses	2,614,178	(269,293)	(9,000)	2,335,885
Net Operating Income	(149,244)	414,324	9,000	274,080
Interest and Dividend Income	24,486			24,486
Nonutility Income	29,415	(3,834)		25,581
	-			
Income Available to Service Debt	(95,342)	410,490	9,000	324,147

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2021-00454 DATED SEP 13 2022

The following rates and charges are prescribed for the customers in the area served by Barkley Lake Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8- x 3/4-Inch Meter

First	2,000 Gallons	\$24.94	Minimum Bill
Next	98,000 Gallons	0.00840	Per Gallon
Next	400,000 Gallons	0.00684	Per Gallon
Over	500,000 Gallons	0.00499	Per Gallon

1-Inch Meter

First	4,000 Gallons	\$41.74	Minimum Bill
Next	96,000 Gallons	0.00840	Per Gallon
Next	400,000 Gallons	0.00684	Per Gallon
Over	500,000 Gallons	0.00499	Per Gallon

1 1/2-Inch Meter

First	8,000 Gallons	\$75.36	Minimum Bill
Next	92,000 Gallons	0.00840	Per Gallon
Next	400,000 Gallons	0.00684	Per Gallon
Over	500,000 Gallons	0.00499	Per Gallon

2-Inch Meter

First	15,000 Gallons	\$134.18	Minimum Bill
Next	85,000 Gallons	0.00840	Per Gallon
Next	400,000 Gallons	0.00684	Per Gallon
Over	500,000 Gallons	0.00499	Per Gallon

4-Inch Meter

First	25,000 Gallons	\$218.24	Minimum Bill
Next	75,000 Gallons	0.00840	Per Gallon
Next	400,000 Gallons	0.00684	Per Gallon
Over	500,000 Gallons	0.00499	Per Gallon

Wholesale Rate

0.00281	Per Gallon
---------	------------

Nonrecurring Charges

Meter Re-Read Charge	\$ 25.00
Meter Test Charge	\$ 25.00
Meter Damage	Actual Cost
Meter Lock Charge	\$ 10.00
Meter Unlock Charge	\$ 6.00
Meter Unlock Charge, After Hours	\$ 64.00
Meter Test Charge	\$ 37.00
Return Check Charge	\$ 5.00
Service Termination/Field Collection Charge	\$ 10.00

\*John Herring  
Barkley Lake Water District  
1420 Canton Road  
P. O. Box 308  
Cadiz, KY 42211

\*Barkley Lake Water District  
1420 Canton Road  
P. O. Box 308  
Cadiz, KY 42211

\*Penny Wright  
Manager  
Barkley Lake Water District  
1420 Canton Road  
P. O. Box 308  
Cadiz, KY 42211

\*David P. Foster  
Rural Community Assistance Partnership  
101 Burch Court  
Frankfort, KENTUCKY 40601