

WEST MCCrackEN COUNTY WATER DISTRICT

8020 Ogden Landing Road

West Paducah, KY 42086

William A. Tanner, Superintendent

Howard Pulley, Chairman

RECEIVED

MAR 9 2007

PUBLIC SERVICE
COMMISSION

March 6, 2007

MR MICHAEL F BURFORD
DIRECTOR, DIVISION OF FILINGS
PUBLIC SERVICE COMMISSION
211 SOWER BLVD
PO BOX 615
FRANKFORT KY 40602

RE: Application for Rate Increase
Case No. 2006-00542

Dear Mr. Burford;

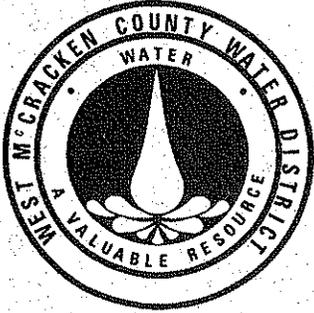
In response to your letter of February 20, 2007, attached please find a corrected public notice and certification of mailing.

At this time the District wishes to remove from the application that portion of paragraph 18 relating to potential debt. The Board of Commissioners of this district has postponed any decision concerning a radio read meter program. Any request for debt will be submitted in a separate and future case. The District requests that, as per paragraph 18, the \$33,306 be applied to the District's depreciation.

If I have missed anything or if there are additional questions, please contact me at (270) 442-3337.

Sincerely,

William A. Tanner



WEST MCCrackEN COUNTY WATER DISTRICT

8020 Ogden Landing Road

West Paducah, KY 42086

William A. Tanner, Superintendent

Howard Pulley, Chairman

March 6, 2007

RE: Case No. 2006-00542

This is to certify that the attached notice was mailed first class to all District customers on March 1, 2007.

William A. Tanner, Superintendent

3-6-07

Date

NOTICE OF PROPOSED RATE INCREASE

Notice is hereby given the the WEST McCracken County Water District (District) has filed an application with the Public Service Commission of Kentucky (PSC) seeking approval of revised water rates and non-recurring charges. The District plans to implement the proposed rates upon approval by the PSC.

Customer Charge

| Meter Size | Current | Year 1 | Year 2 | Year 3 |
|------------|---------|---------|---------|---------|
| 5/8 | \$ 8.39 | \$ 8.95 | \$ 8.95 | \$ 8.95 |
| 1 | 19.63 | 20.59 | 20.59 | 20.59 |
| 2 | 28.06 | 29.89 | 29.89 | 29.89 |
| 3 | 47.73 | 50.93 | 50.93 | 50.93 |
| 4 | 75.83 | 80.91 | 80.91 | 80.91 |

Rates Per 1,000 Gallons

| | Current | Year 1 | Year 2 | Year 3 |
|---------------|---------|---------|---------|---------|
| First 100,000 | \$ 3.27 | \$ 3.55 | \$ 3.77 | \$ 4.05 |
| Over 100,000 | 2.46 | 3.08 | 3.09 | 3.11 |

Impact on Bills

| Usage | Current | Year 1 | Year 2 | Year 3 |
|---------|----------|----------|----------|----------|
| 1,000 | \$ 11.66 | \$ 12.50 | \$ 12.72 | \$ 13.00 |
| 3,000 | 18.20 | 19.60 | 20.26 | 21.10 |
| 5,000 | 24.74 | 26.70 | 27.80 | 29.20 |
| 10,000 | 41.09 | 44.45 | 46.65 | 49.45 |
| 25,000 | 90.14 | 97.70 | 103.20 | 110.20 |
| 100,000 | 335.39 | 363.95 | 385.95 | 413.95 |
| 200,000 | 581.39 | 671.95 | 694.95 | 724.95 |

Percentage Increase

| | 1,000 Gallons | 5,000 Gallons | 10,000 Gallons | 20,000 Gallons |
|--------|---------------|---------------|----------------|----------------|
| Year 1 | 7% | 6% | 8% | 16% |
| Year 2 | 2% | 4% | 5% | 3% |
| Year 3 | 2% | 5% | 6% | 4% |

Non-Recurring Charges

| | Current | Proposed |
|--|-------------|-------------|
| 5/8 Inch Connection | \$ 480 | \$ 700 |
| 1 Inch Connection | 583 | Actual Cost |
| 2 Inch and Above | Actual Cost | Actual Cost |
| Customer Request Meter Relocation | 0 | Actual Cost |
| Reconnect / Disconnect for Non-Payment | 20 | 75 |
| Returned Check | 15 | 20 |
| Customer Request Meter Re-Read | 15 | 40 |
| Customer Request Meter Re-Read After Hours | 0 | 60 |
| Customer Request Meter Test | 25 | 100 |

The rates in this notice are the rates proposed by the District. The PSC may order rates to be charged that are different from those proposed. Such action may result in rates for customers that are different than those proposed in this notice. Customers of the District are advised that any corporation, association, body politic or person with substantial interest in the matter may, by written request, within 30 days after receipt of this notice of the proposed rate changes request to intervene by motion to the PSC. Intervention may be granted beyond the 30 day period for good cause shown. Any motion by customers desiring to intervene shall be submitted to the Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, KY 40602; Attn: Beth O'Donnell, Executive Director (Telephone: 502-564-3940), and shall set forth the grounds for the request, including the status and interest of the party intervening. Intervenors may obtain copies of the application by contacting the District at its office located at 8020 Odgen Landing Road in West Paducah (Telephone: 270-442-3337)

United States Postal Service
Postage Statement — First-Class Mail — Easy
Nonautomation Letters, Cards, or Flats

Post Office: Note Mail Arrival Date & Time

This form may be used only for a single nonautomation rate mailing of identical-weight pieces. Use PS Form 3600-R for all other First-Class Mail mailings. Checklists and other tools for mailers are available on the Postal Explorer website at pe.usps.com.

| | | | | | |
|---------------|--|---------------------------|--|-----------------------|--|
| Mailer | Permit Holder's Name and Address and Email Address, if Any | Telephone 270.442.3337 | Post Office of Mailing West Paducah | Permit No. 6 | Weight of a Single Piece 0. _____ pound |
| | WEST MCCrackEN WATER DISTRICT 8020 OGDEN LANDING RD WEST PADUCAH KY 42086 | | Type of Postage <input checked="" type="checkbox"/> Permit Imprint <input type="checkbox"/> Precanceled Stamps <input type="checkbox"/> Metered | Fed. Agency Code | Number and Type of Containers |
| | | | Mailing Date 03/01/07 | Statement Seq. No. | |
| | Processing Category <input type="checkbox"/> Letters (including card rate) <input type="checkbox"/> Flats | | | Total Pieces 1,349 | Total Weight |

| Category | Presort Level | Rate | Number of Pieces | Total | |
|---|---|------------------|--|---------------------------------------|--|
| Letters (DMM 201) or Flats (DMM 301) | C1. Presorted | .293 x | 1,159 | \$339.59 | |
| | C2. Single Piece | .39 x | 190 | 74.10 | |
| | Nonmachinable Surcharge (For pieces 1 oz. or less) | C3. Presorted | .058 x | | |
| | | C4. Single Piece | .130 x | | |
| Cards Eligible for Card Rates (DMM 201) | Postage | D6. Presorted | .223 x | | |
| | | D7. Single Piece | .240 x | | |
| Total Postage (Add parts totals) | | | | \$413.69 | |
| Rate at Which Postage Affixed (Check one) (DMM 234, 334) <input type="checkbox"/> Correct <input type="checkbox"/> Lowest <input type="checkbox"/> Neither _____ pcs. x \$ _____ = Postage Affixed | | | | | |
| Net Postage Due (Subtract postage affixed from total postage) | | | | | |
| For USPS Use Only: Additional Postage Payment (State reason) | | | | | |
| For postage affixed add additional payment to net postage due; for permit imprint add additional payment to total postage. | | | | Total Adjusted Postage Affixed | |
| Postmaster: Report Total Postage in (Permit imprint only). | | AIC 121 | Total Adjusted Postage Permit Imprint | | |

Certification
 The mailer's signature certifies acceptance of liability for and agreement to pay any revenue deficiencies assessed on this mailing, subject to appeal. If an agent signs this form, the agent certifies that he or she is authorized to sign on behalf of the mailer and that the mailer is bound by the certification and agrees to pay any deficiencies. In addition, agents may be liable for any deficiencies resulting from matters within their responsibility, knowledge, or control. The mailer hereby certifies that all information furnished on this form is accurate, truthful and complete; that the mail and supporting documentation comply with all postal standards and the mailing qualifies for the rates and fees claimed; and that the mailing does not contain any matter prohibited by law or postal regulation. I understand that anyone who furnishes false or misleading information on this form or who omits information requested on this form may be subject to criminal and/or civil penalties, including fines and imprisonment. Privacy Notice: For information regarding our Privacy Policy visit www.usps.com.

| | | |
|--|---|---------------------------|
| Signature of Mailer or Agent <i>Cindy Davis</i> | Printed Name of Mailer or Agent Signing Form CINDY DAVIS | Telephone 270.442.3337 |
|--|---|---------------------------|

| | | | |
|--|--|------------------|----------------------------|
| Weight of a Single Piece 0. _____ pound | Are postage figures at left adjusted from mailer's entries? If yes, reason: <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| Total Pieces | Total Weight | | |
| Total Postage | | | |
| Check One <input type="checkbox"/> Presort Verification Not Scheduled <input type="checkbox"/> Presort Verification Performed as Scheduled | Date Mailer Notified | Contact | By (Initials) |
| I CERTIFY that this mailing has been inspected concerning: (1) eligibility for postage rates claimed; (2) proper preparation (and presort where required); (3) proper completion of postage statement; and (4) payment of required annual fee. | | | |
| Verifying Employee's Signature <i>J Reynolds</i> | Print Verifying Employee's Name J Reynolds | Time AM PM | Round Stamp (Required) |