

Beech Grove Water System, Inc.

445 Highway 56 N

Calhoun KY 42327

beechgrovewaters@bellsouth.net

RECEIVED

JAN 30 2015

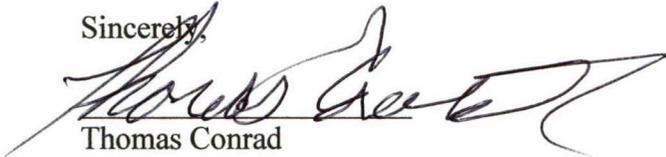
PUBLIC SERVICE
COMMISSION

Executive Director
Mr. Jeff Derouen
Public Service Commission
PO Box 615
Frankfort, KY 40602

Dear Mr. Jeff Derouen:

Enclosed is filing of a Purchased Water Adjustment for Beech Grove Water System including is the original and ten (10) copies.
Should you need any additional information, please let me know.

Sincerely,



Thomas Conrad
President

Prepared by
Sheila Murphy

**Beech Grove Water System
Purchased Water Adjustment
Index**

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Exhibit A	City of Henderson Rate Increase
Exhibit B	Current Rates and Proposed Rates
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Exhibit D	Certification of Response
Exhibit E	Calculation of Rate Increase
Exhibit F	Water purchased and sold from January 2014 to December 2014

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

RECEIVED

JAN 30 2015

PUBLIC SERVICE
COMMISSION

Name of Utility	Beech Grove Water System		
Date	January 27, 2015		
Address	445 State Route 56 N		
City, State, Zip	Calhoun KY	42327	
Telephone Number	270 273-5738		
Email Address	beechgrovewaters@bellsouth.net		

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.

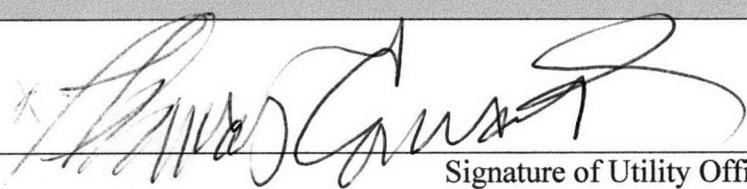
Supplier(s)	Base Rate	Changed Rate
City of Henderson	2.9346	3.1275
West Daviess County	2.41	2.41

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

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	January 2014	through	December 2014
	(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
City of Henderson	63,010,118
West Daviess County Water	2,256,000
TOTAL PURCHASES	
4. Total gallons sold for the 12 month period	65,266,118
5. Increased water cost	\$13,773
<p>The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Exhibit</p>	
6. Purchased water adjustment factor	
<p>The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.</p> <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.</p>	
7. A schedule listing the current and proposed rates is attached as Exhibit B	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit C	
9. Proposed effective date	April 15, 2015
	
Signature of Utility Officer	
President	
Title	

NOTICE

Henderson Water Utility ("Henderson Water") is providing notice that on November 25, 2014, it filed with the Public Service Commission to increase the wholesale rates it charges Henderson County Water District and Beech Grove Water System effective for water service rendered on and after March 1, 2015. The proposed rates are as follows:

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>\$ Change</u>	<u>% Change</u>
Henderson County Water District				
North System	\$2.2726 per 1,000 gallons	\$2.4800 per 1,000 gallons	\$0.2074 per 1,000 gallons	9.1% Increase
South System	\$2.9142 per 1,000 gallons	\$3.1209 per 1,000 gallons	\$0.2067 per 1,000 gallons	7.1% Increase
Beech Grove Water System	\$2.9346 per 1,000 gallons	\$3.1275 per 1,000 gallons	\$0.1929 per 1,000 gallons	6.6% Increase

Water flowing through the meter(s) before the effective date will be charged at the current rates while water flowing through the meter(s) on and after the effective date will be charged at the proposed rates.

This filing may be examined at the offices of Henderson Water located at 111 Fifth Street in Henderson, Kentucky.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday – Friday from 8:00 am – 4:30 pm or on the PSC website at <http://psc.ky.gov>.

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort KY 40602; or through its website at <http://psc.ky.gov>.

The rates contained in this notice are the rates proposed by Henderson Water but the Public Service Commission may order rates that differ from the proposed rates.

Intervention may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602. The request for intervention must establish the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filing.

Exhibit B

Current Water Rate

First	2,000 gallons	\$ 17.56	Minimum Bill
Next	98,000 gallons	5.59	per 1,000 gallons
Over	100,000 gallons	4.96	per 1,000 gallons
Bulk Loading Station		2.79	per 1,000 gallons

Proposed Water Rates

First	2,000 gallons	\$ 18.10	Minimum Bill
Next	98,000 gallons	5.86	per 1,000 gallons
Over	100,000 gallons	4.96	per 1,000 gallons
Bulk Loading Station		2.79	per 1,000 gallons

MINUTES OF THE
BEECH GROVE WATER BOARD
JAN 22, 2015

The Board of Beech Grove Water System held its monthly meeting on JAN 22, 2015 at 7:00 p.m. at the Beech Grove Fire Dept. 445 Hwy 56 N Calhoun KY 42327

Present were President Tommy Conrad, VP Jeremy Rager, Secretary-Treasurer Shirley Cheatham, Nolan Clouse, Chad McMahan, Michael Wahl and Sheila Murphy.

President Tommy Conrad declared that a quorum was present and called the meeting to order.

MINUTES & FINANCIAL REPORT

The Minutes of the December, 2014 meeting were reviewed. Motion was made by Shirley and seconded by Nolan to approve the minutes as prepared. Motion carried unanimously.

OLD BUSINESS

Discussion on installing new Zenner meters.

Shirley made a motion to write a 100,000 gallon water storage agreement with West Daviess County Water. Jeremy 2nd motion and all approved.

NEW BUSINESS

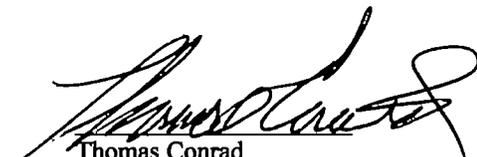
Shirley made a motion to accept the 100,000 gallon water storage agreement with West Daviess County Water. Nolan 2nd motion and motion carried unanimously.

Shirley made a motion to pass along the rate increase from \$293.46 per 1,000 gallons to \$3.1275 per 1,000 gallons from Henderson Water Utility to our customers. Chad 2nd motion and motion carried unanimously.

Shirley made motion to sign a 15 year contract with EMCOR to install new Zenner meter system. Jeremy 2nd motion and motion carried unanimously.

ADJOURNMENT

There being no further business to come before the meeting, motion was made by Shirley and 2nd by Jeremy to adjourn the meeting. Motion carried unanimously.


Thomas Conrad
President

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

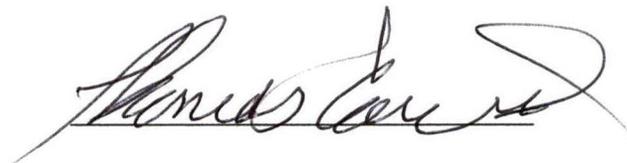
IN THE MATTER OF:

THE APPLICATION OF
BEECH GROVE WATER SYSTEM
Purchased Water Agreement

**CERTIFICATION OF RESPONSE TO COMMISSION
STAFF'S FIRST INFORMATION REQUEST**

This is to certify that I have supervised the preparation of the Applicant's Response to the Commission Staffs First Information Request. The responses submitted on behalf of Beech Grove Water System are true and accurate to the best of my knowledge, information, and belief formed after a reasonable Inquiry.

Date: 1-28-2015



Tommy Conrad
President

Prepared By
Sheila Murphy

Beech Grove Water

Exhibit E

	NEW RATE (per 1,000)		OLD RATE (per 1,000)	
<u>SUPPLIER</u>				
Henderson	\$3.1275		\$2.9346	
West Davies	\$2.4100		\$2.4100	
TWELVE MONTH TEST PERIOD:		January 2014 through December 2014		
		<u>GALLONS PURCHASED DURING TEST PERIOD</u>		
<u>SUPPLIER</u>				
Henderson			63,010,118	
West Davies			2,256,000	
	0		0	
TOTAL			65,266,118	
<u>SUPPLIER</u>	<u>COST AT NEW RATE</u>		<u>COST AT OLD RATE</u>	
Henderson	\$204,119.78		\$184,909.49	
West Davies	\$5,436.96		\$5,436.96	INCREASED
				<u>WATER COST</u>
TOTAL	\$209,556.74	-	\$190,346.45	= \$13,773
TOTAL GALLONS SOLD FOR THE TEST PERIOD :			51,796,627	
Increased Water Cost / (total gallons sold / 1,000) = Purchased Water Adjustment Factor				
	\$13,773.33	/	51,796,627	/1000
				=
				ROUNDED
				0.27

