

North Hopkins Water District
316 Liberty Church Drive
Madisonville, Kentucky 42431

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MAR 06 2015

PUBLIC SERVICE
COMMISSION

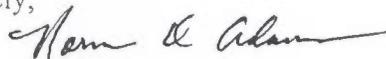
February 24, 2015

Public Service Commission of Kentucky
211 Sower Blvd.
P. O. Box 615
Frankfort, Kentucky 40602

Case No. 2015-00078

Pursuant to KRS 278.012 and 278.015 we respectfully submit the enclosed 10 copies of an application for a Purchased Water Rate Adjustment.

Sincerely,



Norman D. Adams, Chairman

cc: file

Case No. 2015-00078

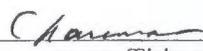
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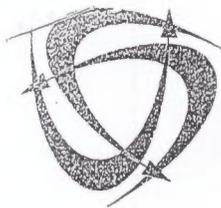
**PUBLIC SERVICE
COMMISSION**

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

Name of Utility	North Hopkins Water District		
Date	February 24, 2015		
Address	316 Liberty Church Drive		
City, State, Zip	Madisonville, KY	42431	
Telephone Number	270-825-1623		
Email Address	northhopkinswd@yahoo.com		
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 Madisonville, KY	\$3.71 per 1,000 gallons	\$3.95 per 1,000 gallons	
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 Madisonville, KY	89,235,000
TOTAL PURCHASES	89,235,000
4. Total gallons sold for the 12 month period	72,696,775
5. Increased water cost	\$21,416.40
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 B	
6. Purchased water adjustment factor	\$0.29 per 1,000 gallons
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
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.	
7. A schedule listing the current and proposed rates is attached as Exhibit C	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit D	
9. Proposed effective date	March 15, 2015
 Signature of Utility Officer	
 Title	

"EXHIBIT A"



BerryKington & Utley PSC
Certified Public Accountants

2822 North Main Street ■ Madisonville, KY 42431

Phone 270-821-3355 ■ Fax 270-821-0101

January 21, 2015

Mr. Cory Alexander
City Finance Director/Treasurer
City of Madisonville, Kentucky
67 North Main Street
Madisonville, KY 42431

Dear Cory:

We have prepared the accompanying Cost Review Formulas for revising calendar year wholesale rate charges as per Treated Water Sale and Purchase Agreements with the North Hopkins Water District.

We prepared the Cost Review Formulas using June 30, 2014 audited financial statements and wholesale user consumption records as provided by the City of Madisonville. We did not audit the wholesale user consumption records during our June 30, 2014 audit due to the fact that such records were outside the scope of the audit.

The wholesale water rate to be charged to the North Hopkins Water District is \$3.95 per each one thousand gallons of treated water. It is my understanding that the new rate will be charged from March 15, 2015 to December 31, 2015.

We appreciate the opportunity to be of service to the City of Madisonville. Please call if you have any questions regarding these computations.

Very truly yours,

Charles A. Kington, CPA

North Hopkins Water District
Purchased Water Rate Adjustment
Date of Issue: February 24, 2015

EXHIBIT B - PURCHASED WATER ADJUSTMENT CALCULATIONS

Water Purchased: 89,235,000 gallons
Water Sold: 72,696,775 gallons

Cost at changed rate: $89,235,000/1,000 \times \$3.95 = \$352,478.25$

LESS

Cost at base rate: $89,235,000/1,000 \times \$3.71 = \$331,061.85$

Increase in cost -----
\$ 21,416.40
=====

$\$21,416.40 / 72,696,775$ gallons sold = $\$.0002946$ or $\$.29$ per 1,000 gallons

Form for filing Rate Schedules

For Hopkins County Kentucky
Community, Town or City

P.S.C. NO. _____

_____ SHEET NO. _____

North Hopkins Water District
Name of Issuing Corporation

CANCELING P.S.C. NO. 2013-00073

_____ SHEET NO. _____

CLASSIFICATION OF SERVICE

Monthly Rates

5/8 x 3/4 Inch Meters

First 2,000 gallons	\$23.98 (Minimum Bill)
Next 2,000 gallons	11.69 per 1,000 gallons
Next 3,000 gallons	9.34 per 1,000 gallons
Next 3,000 gallons	8.19 per 1,000 gallons
Over 10,000 gallons	6.39 per 1,000 gallons

3/4 Inch Meters

First 3,000 gallons	\$35.67 (Minimum Bill)
Next 1,000 gallons	11.69 per 1,000 gallons
Next 3,000 gallons	9.34 per 1,000 gallons
Next 3,000 gallons	8.19 per 1,000 gallons
Over 10,000 gallons	6.39 per 1,000 gallons

1 Inch Meters

First 5,000 gallons	\$56.70 (Minimum Bill)
Next 2,000 gallons	9.34 per 1,000 gallons
Next 3,000 gallons	8.19 per 1,000 gallons
Over 10,000 gallons	6.39 per 1,000 gallons

1-1/2 Inch Meters

First 10,000 gallons	\$99.95 (Minimum Bill)
Over 10,000 gallons	6.39 per 1,000 gallons

2 Inch Meters

First 15,000 gallons	\$131.90 (Minimum Bill)
Over 15,000 gallons	6.39 per 1,000 gallons

3 Inch Meters

First 30,000 gallons	\$227.75 (Minimum Bill)
Over 30,000 gallons	6.39 per 1,000 gallons

DATE OF ISSUE February 24, 2015

DATE EFFECTIVE March 15, 2015

ISSUED BY *Norm Q. Calawa*

TITLE Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. _____
dated _____.

NORTH HOPKINS WATER DISTRICT
Meeting Minutes

Present: David Adams, Tamara Hunter, Danny Ashby, Greg Crowley, Mark Offutt,
Tony Knight
Meeting Date: February 24, 2015

I. Announcements

Chairman David Adams brought the meeting to order, and asked that Secretary Greg lead us in opening prayer.
The Board Meeting was held in the new water office on Liberty Church Loop

II. Discussion

Tony Knight from Alexander, Toney, and Knight was present and went over the NHWD budget and audit for 2014. Sales were up for the year. Reserve money was lower due to purchasing a new office and building. Water loss was 18% for the 2014 year. After reviewing budget and audit summary Chairman David motioned for the acceptance of the audit. Secretary Greg made the motion to accept audit, Treasurer Danny second the motion. Motion carried.

Roundtable

III The city of Madisonville sent NHWD a letter stating they will raise their water rates. David made motion for NHWD to raise rates .29 per 1,000gals. due to the incline of Madisonville Municipal Utilities raising theirs. Danny second the motion. Motion carried.

Secretary Greg made motion for NHWD to move 2 bank accounts to another bank due to the banks only securing a certain amount of the money. Treasurer Danny second the motion. Motion carried, Tamara will move the O&M account and the Sinking Fund account to Independence Bank. Chairman David motioned that all 3 Commissioners and Tamara be on signature card. Treasurer Danny second the motion. Motion carried.

Clerk, Tamara asked that NHWD return to the post card billing system due to the fact of updating the computer system. She stated that it will be more cost efficient now. Secretary Greg made motion to return to post card bills, Treasurer Danny second motion. Motion carried.

Treasurer Danny made motion to do away with NHWD credit cards that Tamara and Mark use and use pre-paid VISA/MASTERCARD. It will lessen the liability. He suggested a \$500.00 limit be put on them. Secretary Greg second the motion. Motion carried.

There will be a special meeting, Tuesday, March 3 @ 5:30pm with the commissioners and to discuss the hiring of a second operator, Tamara will be present to take notes and answer any office questions. Steve Oakley is interested in the position. He will be present also.

Next board meeting will be held on March 24, 2015

With no further business Greg motion for meeting to be adjourned. Danny second motion. Motion carried and meeting was adjourned.

Tamara Hunter