

Parksville Water District

P.O. Box 9

10711 Lebanon Rd., Parksville, KY 40464

Phone: (859) 332-2255 Fax: (859) 332-2482

e-mail: pwd@kywimax.com

RECEIVED

MAY 14 2015

PUBLIC SERVICE
COMMISSION

May 11, 2015

Mr. Jeff R. Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

Re: Case No. 2014-00392

Dear Mr. Derouen,

Parksville Water District is filing a Purchased Water Adjustment pursuant to the Public Service Commission's order filed May 5, 2015 in Case No. 2014-00392.

The order of May 5, 2015 will increase Parksville's purchased water cost by over \$130,000 per year. Parksville cannot absorb this increase and is filing this PWA to increase our rates to cover the increased cost.

Sincerely,



Jerry Feather
Co-Manager



Debbie Webb
Co-Manager

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

Name of Utility	Parksville Water District	
Date	May 6, 2015	
Address	10711 Lebanon Rd / P.O. Box 9	
City, State, Zip	Parksville, KY 40464	
Telephone Number	859-332-2255	
Email Address	pwd@kywimax.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 Danville	See Exhibit 1	\$ 2.68 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 2

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	04/01/2014	through	03/31/2015
	(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.

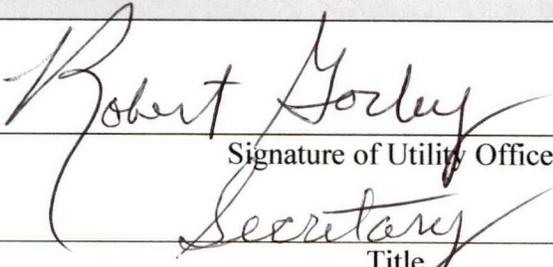
Supplier(s)	Gallons Purchased during 12 month period
City of Danville	118,847,925
TOTAL PURCHASES	118,847,925
4. Total gallons sold for the 12 month period	72,748,010
5. Increased water cost	133,544.78
<p>The increased water cost is the cost difference between purchases at base (current rate) and purchases 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 <u>3</u></p>	
6. Purchased water adjustment factor	1.84
<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 <u>4</u>	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit <u>5</u>	
9. Proposed effective date	May 11, 2015
	
Signature of Utility Officer	
	
Title	

Exhibit 1

EXHIBIT 1

FOR PARKSVILLE WATER DISTRICT

P.S.C. NO. _____

ORIGINAL SHEET NO. 22

PARKSVILLE WATER DISTRICT

CANCELLING P.S.C. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

PURCHASED WATER ADJUSTMENT CLAUSE

Upon the increase, or decrease, in the wholesale rate of purchased water, the Parksville Water District may apply for an adjustment to its water rates in accordance with 807 KAR 5:067. The base rate for the future application of the Purchased Water Adjustment Clause is:

<u>SUPPLIER</u>		<u>RATES*</u>	
City of Danville	First	20,000 cubic feet	\$ 1.68 per 100 cubic feet (\$ 280.00 minimum)
	Next	80,000 cubic feet	\$ 1.35 per 100 cubic feet
	Next	100,000 cubic feet	\$ 1.05 per 100 cubic feet
	Next	300,000 cubic feet	\$.96 per 100 cubic feet
	Over	500,000 cubic feet	\$.91 per 100 cubic feet

* A surcharge of twenty (20) percent is added to the monthly water bill of all wholesale customers outside the city limits of Danville.

DATE OF ISSUE _____

DATE EFFECTIVE _____

ISSUED BY Ronald Russell

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
3/20/2006
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By [Signature]
Executive Director

Exhibit 2

EXHIBIT 2

NOTICE

Notice is hereby given that the City of Danville proposes to increase its rate for wholesale water service to Parksville Water District effective November 19, 2014. On October 17, 2014, documentation will be filed with the Kentucky Public Service Commission to increase rates as follows:

Water Rate

	<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change</u>	<u>% Change</u>	
			Ave. Month	Ave. Rate	
First 20,000 CF	\$1.68 per 100 CF				
Next 80,000 CF	\$1.35 per 100 CF				
Next 100,000 CF	\$1.05 per 100 CF				
Next 300,000 CF	\$0.96 per 100 CF				
Over 500,000 CF	\$0.91 per 100 CF				
Plus 20% surcharge					
		All usage	\$2.68/1,000 gal.	\$10,308.53	68%

The proposed effective date is November 19, 2014. Water flowing through the meter(s) before the effective date will be charged at the current rate while water flowing through the meter(s) on and after the effective date will be charged at the proposed new rate.

The rates contained in this notice are the rates proposed by the City of Danville but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may examine this filing at the offices the Danville City Hall, City Engineer's Office, located at 445 W. Main Street in Danville, Kentucky; telephone (859) 238-1200.

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

Comments regarding the filing may be submitted to the PSC through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

A timely written request for intervention that establishes grounds for the request may also be submitted to the PSC. If the PSC does not receive a written request for intervention within thirty (30) days of the date notice was initially provided, the PSC may take final action on the filing.

EXHIBIT 2

FOR Parksville Water District

PSC KY NO. _____

_____ SHEET NO. _____

City of Danville
(NAME OF UTILITY)

CANCELLING PSC KY NO. _____

_____ SHEET NO. _____

Water Usage Rate \$2.68 per 1,000 gallons

Kentucky River Authority Withdrawal Fee \$0.022 per 1,000 gallons

DATE OF ISSUE _____

MONTH / DATE / YEAR

DATE EFFECTIVE November 19, 2014

MONTH / DATE / YEAR

ISSUED BY Bernie Hunstod

SIGNATURE OF OFFICER

TITLE Mayor

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

Exhibit 3

EXHIBIT 3

Parksville Water District
Purchased Water Adjustment Calculation
04/01/14 - 03/31/15

Gallons Purchased 04/01/14 through 03/31/15	118,947,925
Gallons Sold 04/01/14 through 03/31/15	72,748,010
Cost of Water at New Rate	318,512.44
Less Cost of Water at Current Rates	184,967.66
Increased Cost of Purchased Water	133,544.78
Purchased Water Factor = Increased Cost of Water divided by Gallons Sold	0.00184
Purchased Water Adjustment Factor per 1,000 gallons	1.84

EXHIBIT 3

Parksville Water District
Gallons Sold
04/01/2014 through 03/31/15

Mo / Yr	Gallons
Apr-14	4,859,780
May-14	5,533,200
Jun-14	8,709,420
Jul-14	6,814,830
Aug-14	5,642,030
Sep-14	7,091,700
Oct-14	5,656,370
Nov-14	4,969,420
Dec-14	6,118,500
Jan-15	5,118,110
Feb-15	5,966,155
Mar-15	6,268,495
	72,748,010

EXHIBIT3

Parksville Water District
Gallons Purchased Cost - Proposed Rate
04/01/2014 through 03/31/15

Mo/Yr	Cubic Feet	Gallons	Total Cost
Apr-14	1,358,140	10,158,887	27,225.82
May-14	1,481,530	11,081,844	29,699.34
Jun-14	1,159,490	8,672,985	23,243.60
Jul-14	1,224,140	9,156,567	24,539.60
Aug-14	1,471,301	11,005,331	29,494.29
Sep-14	1,231,320	9,210,274	24,683.53
Oct-14	1,159,584	8,673,688	23,245.48
Nov-14	1,267,072	9,477,699	25,400.23
Dec-14	1,338,673	10,013,274	26,835.57
Jan-15	1,436,048	10,741,639	28,787.59
Feb-15	1,398,058	10,457,474	28,026.03
Mar-15	1,363,404	10,198,262	27,331.34
	15,888,760	118,847,925	318,512.44

Proposed Rate

2.68 per 1,000 gallons

EXHIBIT 3

Parksville Water District
Gallons Purchased Cost - Current Rate
04/01/2014 through 03/31/15

Mo/Yr	Cubic Feet	Water Amount	20% Surcharge	Total
Apr-14	1,358,140	13,155.07	2,631.01	15,786.09
May-14	1,481,530	14,277.92	2,855.58	17,133.51
Jun-14	1,159,490	11,347.36	2,269.47	13,616.83
Jul-14	1,224,140	11,935.67	2,387.13	14,322.81
Aug-14	1,471,301	14,184.84	2,836.97	17,021.81
Sep-14	1,231,320	12,001.01	2,400.20	14,401.21
Oct-14	1,159,584	11,348.21	2,269.64	13,617.86
Nov-14	1,267,072	12,326.36	2,465.27	14,791.63
Dec-14	1,338,673	12,977.92	2,595.58	15,573.51
Jan-15	1,436,048	13,864.04	2,772.81	16,636.84
Feb-15	1,398,058	13,518.33	2,703.67	16,221.99
Mar-15	1,363,404	13,202.98	2,640.60	15,843.57
	15,888,760	154,139.72	30,827.94	184,967.66

Current Rate From Danville

1st 20,000 cubic feet	\$	1.68	per 100 cubic feet
next 80000 cubic feet	\$	1.35	per 100 cubic feet
next 100000 cubic feet	\$	1.05	per 100 cubic feet
next 300000 cubic feet	\$	0.96	per 100 cubic feet
Over 500000 cubic feet	\$	0.91	per 100 cubic feet

NOTE: Danville charges an additional 20 percent surcharge on the water amount each month.

Exhibit 4

Exhibit 4

Parksville Water District Schedule of Current Rates and Proposed Rates

Current Rates

1st 1,000 gallons	27.91 (minimum bill)
Next 4,000 gallons	4.46 per 1,000 gallons
Next 5,000 gallons	4.74 per 1,000 gallons
All over 10,000 gallons	6.00 per 1,000 gallons

Proposed Rates

1st 1,000 gallons	29.75 (minimum bill)
Next 4,000 gallons	6.30 per 1,000 gallons
Next 5,000 gallons	6.58 per 1,000 gallons
All over 10,000 gallons	7.84 per 1,000 gallons

Exhibit 5

EXHIBIT 5

Parksville Water District
Board of Commissioners Meeting
October 16, 2014

A regular meeting of the Parksville Water District Board of Commissioners was held on October 16, 2014, at the District office at 10:00 a.m.

Commissioners present were: Ronald Russell, Richard Mayes and Robert Gorley

Commissioners absent were: None

Others present were: Jerry Feather and Debbie Webb

Meeting called to order by Chairman Russell

MINUTES

Commissioner Mayes moved, seconded by Commissioner Gorley, to approve the minutes of the September 18, 2014 regular meeting. Motion carried unanimously.

TREASURER'S REPORT

Commissioner Gorley moved, seconded by Commissioner Russell, to approve the Treasurer's Report for September 2014, and that checks numbered 15150 through 15209, inclusive, be approved for payment of all bills. Motion carried unanimously.

RESCINDING RESOLUTION PASSED AUGUST 21, 2014

Commissioner Mayes moved, seconded by Commissioner Gorley to rescind the resolution passed August 21, 2014, authorizing the District to file a Purchased Water Adjustment. Motion passed unanimously.

PURCHASED WATER ADJUSTMENT

Commissioner Mayes moved to authorize the District to file a Purchased Water Adjustment when the exact amount of rate increase is known. Motion was seconded by Commissioner Gorley. Motion passed unanimously.

ADJOURNMENT

There being no further business at this time, Commissioner Mayes moved, seconded by Commissioner Gorley, to adjourn. Motion passed unanimously.

Meeting adjourned at 10:30 a.m.

EXHIBIT 5

Respectfully Submitted,

BY: Robert Gorley
Robert Gorley, Secretary
Parksville Water District

DATE APPROVED: 11-20-14

BY: Ronald Russell
Ronald Russell, Chairman

APPROVAL OF MINUTES

I hereby certify that the foregoing Minutes were duly approved by the Board of Commissioners of Parksville Water District at a meeting held on the date shown below:

PARKSVILLE WATER DISTRICT

BY: Ronald Russell
Ronald Russell, Chairman

DATE APPROVED: 11-20-14