

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF NORTH NELSON) CASE NO. 2011-00202
WATER DISTRICT)

ORDER

On June 10, 2011, North Nelson Water District ("North Nelson") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. North Nelson purchases water from the city of Bardstown ("Bardstown") and Louisville Water Company ("Louisville Water").

2. Louisville Water notified North Nelson that, effective July 1, 2011, its monthly service charge to North Nelson will increase from \$169.50 to \$206.70 per month, and its volumetric wholesale rate to North Nelson will increase from \$1.71 per 1,000 gallons to \$1.87 per 1,000 gallons.

3. North Nelson proposes a purchased water adjustment factor of \$0.09 per 1,000 gallons.

4. During the 12 months ending April 30, 2011, North Nelson purchased 178,275,700 gallons from Bardstown and 149,733,000 gallons from Louisville Water, for a total purchase of 328,008,700 gallons of water. It sold 283,892,800 gallons of water.

¹ KRS 278.015; 807 KAR 5:068.

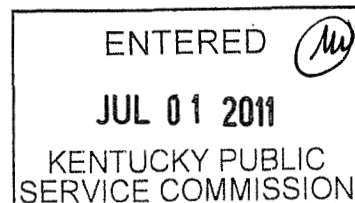
The increase in the cost of purchased water is \$24,403.68, resulting in a purchased water adjustment factor of \$0.09 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.09 per 1,000 gallons is fair, just, and reasonable and should be approved.

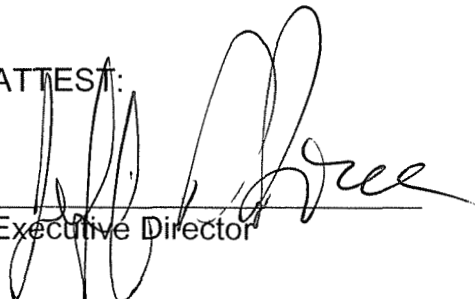
IT IS THEREFORE ORDERED that:

1. North Nelson's proposed rates are approved.
2. The purchased water adjustment factor of \$0.09 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are approved for services rendered on or after July 1, 2011.
4. The tariff sheets filed by North Nelson are approved as filed.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2011-00202 DATED **JUL 01 2011**

	New Rate	Base Rate
North Nelson Water District		
Monthly Service Charge	\$206.70/Month	\$169.50/Month
	<u> x 12</u>	<u> x 12</u>
	\$ 2,480.40	\$ 2,034.00
Purchases (Louisville Water)	149,733,000	149,733,000
Volumetric rate	<u>\$ 1.87/1,000</u>	<u>\$ 1.71/1,000</u>
	<u>\$ 280,000.71</u>	<u>\$ 256,043.43</u>
Total Cost	\$ 282,481.11	\$ 258,077.43
Purchases (Bardstown)	No change	No change
		Increased water cost \$24,403.68
Increased water cost	\$ 24,403.68	
Divided by gallons sold	<u>283,892,800</u>	
Purchased water adjustment factor	\$ 0.09 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00202 DATED JUL 01 2011

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

Monthly Water Rates

First	2,000 Gallons	\$13.91	Minimum Bill
Next	3,000 Gallons	3.78	per 1,000 Gallons
Next	5,000 Gallons	3.26	per 1,000 Gallons
Over	10,000 Gallons	2.91	per 1,000 Gallons
Truck Loading Stations		6.59	per 1,000 Gallons

Steven R Allgeier
General Manager
North Nelson Water District
5555 Louisville Road
P. O. Box 25
Cox's Creek, KY 40013-0025