

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF ) CASE NO.  
NORTH NELSON WATER DISTRICT ) 2018-00183

ORDER

On June 5, 2018, North Nelson Water District (“North Nelson”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup> By letter dated June 7, 2018, the Commission notified North Nelson that its application was rejected due to certain filing deficiencies. On June 18, 2018, North Nelson submitted additional information to correct the filing deficiencies, and the application was accepted for filing as of that date.

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

1. North Nelson purchases water from the Louisville Water Company (“Louisville”) and the city of Bardstown (“Bardstown”).
2. Louisville notified North Nelson that its wholesale volumetric water rate would increase from \$2.25 per 1,000 gallons to \$2.30 per 1,000 gallons and its total monthly service charge would increase from \$1080.00 per month to \$1118.00 per month effective July 1, 2018.<sup>2</sup> North Nelson proposes to increase the water rates to its

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> TFS 2018-00121 (Ky. PSC filed Mar. 29, 2018); the tariff was accepted for filing by the Commission by letter dated June 11, 2018.

customers effective July 1, 2018, to reflect the increased cost of purchased water from Louisville.

3. North Nelson proposed a purchased water adjustment factor of \$0.05 per 1,000 gallons in its application.

4. During the 12 months ended April 30, 2018, North Nelson purchased 211,803,000 gallons of water from Louisville and 90,006,000 gallons of water from Bardstown. During the same period, North Nelson sold 267,738,000 gallons of water. The increase in the cost of purchased water is \$11,046.15, resulting in a purchased water adjustment factor of \$0.05 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.05 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just and reasonable, and should be approved.

6. North Nelson's proposed rates should be approved.

7. The rates as set forth in Appendix B to this Order are fair, just and reasonable, and should be approved for water service rendered by North Nelson on and after July 1, 2018.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.05 per 1,000 gallons is approved.

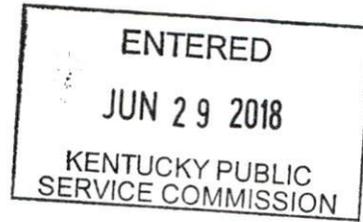
2. The rates proposed by North Nelson are approved.

3. The rates as set forth in Appendix B to this Order are approved for water service rendered by North Nelson on and after July 1, 2018.

4. Within 20 days of the date of entry of this Order, North Nelson shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

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By the Commission



ATTEST:

A handwritten signature in blue ink that reads "Steven R. Pearson". The signature is written in a cursive style.

Executive Director

Case No. 2018-00183

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
 COMMISSION IN CASE NO. 2018-00183 DATED **JUN 29 2018**

	New Rate	Base Rate
Louisville		
Purchases in Gallons	211,803,000	211,803,000
Wholesale rate	<u>\$ 2.30/1,000</u>	<u>\$ 2.25/1,000</u>
Sub-Total	\$487,146.90	\$476,556.75
Months	12	12
Monthly Service Charge	<u>\$ 1,118.00/Month</u>	<u>\$ 1,080.00/Month</u>
Sub-Total	\$13,416.00	\$12,960.00
Bardstown		
Purchases in Gallons	90,006,000	90,006,000
Wholesale rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Sub-Total		
Total	\$500,562.90	\$489,516.75
Increased water cost		\$ 11,046.15
Increased water cost		\$ 11,046.15
Divided by Gallons sold/1,000		<u>267,738,000</u>
Purchased water adjustment factor		\$ 0.0413 per 1,000 Gallons
		or \$ 0.05 per 1,000 Gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2018-00183 DATED **JUN 29 2018**

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	\$ 15.03 Minimum Bill
Next	3,000 Gallons	4.34 per 1,000 Gallons
Next	5,000 Gallons	3.82 per 1,000 Gallons
Over	10,000 Gallons	3.47 per 1,000 Gallons
Truck Loading Stations		7.15 per 1,000 Gallons

\*North Nelson Water District  
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P. O. Box 25  
Cox's Creek, KY 40013

\*Colin Cissell  
General Manager  
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