

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
WEST SHELBY WATER DISTRICT)	2018-00185

ORDER

On June 4, 2018, West Shelby Water District (“West Shelby”) 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. West Shelby purchases water from the Louisville Water Company (“Louisville”) and the Shelbyville Municipal Water System (“Shelbyville”).
2. Louisville notified West Shelby that its wholesale volumetric water rate will increase from \$2.25 per 1,000 gallons to \$2.30 per 1,000 gallons and its total monthly service charge will increase from \$513.00 per month to \$531.05 per month effective July 1, 2018.² West Shelby proposes to increase the water rates to its customers effective July 15, 2018, to reflect the increased cost of purchased water from Louisville.
3. West Shelby proposed a purchased water adjustment factor of \$0.05 per 1,000 gallons in its application.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2018-00123 (Ky. PSC filed Mar. 29, 2018); the tariff was accepted for filing by the Commission by letter dated June 11, 2018.

4. During the 12 months ended April 30, 2018, West Shelby purchased 229,866,000 gallons of water from Louisville and 70,604,550 gallons of water from Shelbyville. During the same period, West Shelby sold 264,660,000 gallons of water. In Exhibit "E" of the application, West Shelby made a calculation error for its Base Rate and New Rate calculation of the cost of water. This error did not affect the increase in the cost of purchased water. The increase in the cost of purchased water is \$11,709.90, 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. West Shelby'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 West Shelby on and after July 15, 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 West Shelby are approved.

3. The rates as set forth in Appendix B to this Order are approved for water service rendered by West Shelby on and after July 15, 2018.

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

By the Commission

ENTERED
JUN 20 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2018-00185

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00185 DATED **JUN 20 2018**

	New Rate	Base Rate
Louisville		
Purchases in gallons	229,866,000	229,866,000
Wholesale rate	<u>\$ 2.30/1,000</u>	<u>\$ 2.25/1,000</u>
Sub-Total	\$528,691.80	\$517,198.50
Months	12	12
Monthly Service Charge	<u>\$ 531.05/Month</u>	<u>\$ 513.00/Month</u>
Sub-Total	\$6,372.60	\$6,156.00
Shelbyville		
Purchases in gallons	70,604,550	70,604,550
Wholesale rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Sub-Total		
Total	\$535,064.40	\$523,354.50
Increased water cost		\$ 11,709.90
Increased water cost		\$ 11,709.90
Divided by gallons sold/1,000		<u>264,660,000</u>
Purchased water adjustment factor		\$ 0.0442 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. 2018-00185 DATED **JUN 20 2018**

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

Monthly Water Rates

5/8 x 3/4-Inch Meter

First	2,500 Gallons	\$ 18.11 Minimum Bill
Next	7,500 Gallons	5.41 per 1,000 Gallons
Next	20,000 Gallons	5.09 per 1,000 Gallons
Next	200,000 Gallons	4.68 per 1,000 Gallons
Over	230,000 Gallons	4.27 per 1,000 Gallons

3/4-Inch Meter

First	3,500 Gallons	\$ 23.51 Minimum Bill
Next	6,500 Gallons	5.41 per 1,000 Gallons
Next	20,000 Gallons	5.09 per 1,000 Gallons
Next	200,000 Gallons	4.68 per 1,000 Gallons
Over	230,000 Gallons	4.27 per 1,000 Gallons

1-Inch Meter

First	5,000 Gallons	\$ 31.61 Minimum Bill
Next	5,000 Gallons	5.41 per 1,000 Gallons
Next	20,000 Gallons	5.09 per 1,000 Gallons
Next	200,000 Gallons	4.68 per 1,000 Gallons
Over	230,000 Gallons	4.27 per 1,000 Gallons

1 1/2-Inch Meter

First	10,000 Gallons	\$ 58.65 Minimum Bill
Next	20,000 Gallons	5.09 per 1,000 Gallons
Next	200,000 Gallons	4.68 per 1,000 Gallons
Over	230,000 Gallons	4.27 per 1,000 Gallons

2-Inch Meter

First	16,000 Gallons	\$ 89.17 Minimum Bill
Next	14,000 Gallons	5.09 per 1,000 Gallons
Next	200,000 Gallons	4.68 per 1,000 Gallons
Over	230,000 Gallons	4.27 per 1,000 Gallons

3-Inch Meter

First	30,000 Gallons	\$160.40 Minimum Bill
Next	200,000 Gallons	4.68 per 1,000 Gallons
Over	230,000 Gallons	4.27 per 1,000 Gallons

4-Inch Meter

First	50,000 Gallons	\$253.95 Minimum Bill
Next	180,000 Gallons	4.68 per 1,000 Gallons
Over	230,000 Gallons	4.27 per 1,000 Gallons

5-Inch Meter

First	100,000 Gallons	\$487.82 Minimum Bill
Next	130,000 Gallons	4.68 per 1,000 Gallons
Over	230,000 Gallons	4.27 per 1,000 Gallons

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