

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
NORTH SHELBY WATER COMPANY)	2018-00279

ORDER

On August 21, 2018, North Shelby Water Company (North 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. North Shelby purchases water from the Louisville Water Company (Louisville), Frankfort Electric and Water Plant Board (Frankfort), West Shelby Water District, and Shelbyville Municipal Water System (Shelbyville).

2. Frankfort notified North Shelby that its wholesale volumetric water rate would increase from \$2.75 per 1,000 gallons to \$2.84 effective July 26, 2018.² North Shelby proposes to increase the water rates to its customers effective October 1, 2018, to reflect the increased cost of purchased water from Louisville.

3. North Shelby proposed a purchased water adjustment factor of \$0.02 per 1,000 gallons in its application.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2018-00122 (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 July 31, 2018, North Shelby purchased 263,215,000 gallons of water from Louisville, 104,689,900 gallons of water from Shelbyville, and 74,329,000 gallons of water from Frankfort. During the same period, North Shelby sold 377,918,500 gallons of water. The increase in the cost of purchased water is \$6,689.61, resulting in a purchased water adjustment factor of \$0.02 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.02 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable, and should be approved.

6. North 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 North Shelby on and after October 1, 2018.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.02 per 1,000 gallons is approved.

2. The rates proposed by North Shelby are approved.

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

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

5. Any documents filed in the future pursuant to ordering paragraph 4 shall reference this case number and shall be retained in the post-case correspondence file.
6. This case is closed and removed from the Commission's docket.

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By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00279 DATED **SEP 06 2018**

	New Rate	Base Rate
Frankfort		
Purchases in Gallons	74,329,000	74,329,000
Wholesale rate	<u>\$2.84/1,000</u>	<u>\$2.75/1,000</u>
	\$211,094.36	\$204,404.75
Shelbyville		
Purchases in Gallons	104,689,900	104,689,900
Wholesale rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Louisville		
Purchases in Gallons	263,215,000	263,215,000
Wholesale rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Total	\$211,094.36	\$204,404.75
Increased water cost		\$ 6,689.61
Increased water cost		\$ 6,689.61
Divided by Gallons sold/1,000		<u>377,918,500</u>
Purchased water adjustment factor		\$ 0.0177 per 1,000 Gallons
		or \$ 0.02 per 1,000 Gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00279 DATED **SEP 06 2018**

The following rates and charges are prescribed for the customers in the area served by North Shelby 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	2,000 Gallons	\$ 22.50 Minimum Bill
Next	3,000 Gallons	7.55 per 1,000 Gallons
Next	5,000 Gallons	6.17 per 1,000 Gallons
Next	40,000 Gallons	5.48 per 1,000 Gallons
Over	50,000 Gallons	4.80 per 1,000 Gallons

1-Inch Meter

First	5,000 Gallons	\$ 45.15 Minimum Bill
Next	5,000 Gallons	6.17 per 1,000 Gallons
Next	40,000 Gallons	5.48 per 1,000 Gallons
Over	50,000 Gallons	4.80 per 1,000 Gallons

1 1/2-Inch Meter

First	10,000 Gallons	\$ 76.00 Minimum Bill
Next	40,000 Gallons	5.48 per 1,000 Gallons
Over	50,000 Gallons	4.80 per 1,000 Gallons

2-Inch Meter

First	15,000 Gallons	\$103.40 Minimum Bill
Next	35,000 Gallons	5.48 per 1,000 Gallons
Over	50,000 Gallons	4.80 per 1,000 Gallons

3-Inch Meter

First	35,000 Gallons	\$213.00 Minimum Bill
Next	15,000 Gallons	5.48 per 1,000 Gallons
Over	50,000 Gallons	4.80 per 1,000 Gallons

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