

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF ) CASE NO.  
NORTH SHELBY WATER COMPANY ) 2018-00420

ORDER

On December 18, 2018, North Shelby Water Company (North Shelby Water) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

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

1. North Shelby Water 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. Shelbyville notified North Shelby Water that its wholesale volumetric water rate would increase from \$2.11 per 1,000 gallons to \$2.22 per 1,000 gallons effective December 19, 2018.<sup>2</sup> North Shelby Water proposes to increase the water rates to its customers effective January 1, 2019, to reflect the increased cost of purchased water from Shelbyville.

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

<sup>2</sup> TFS 2018-00486 (Ky. PSC filed Oct. 25, 2018); the tariff was accepted for filing by the Commission by letter dated Dec. 19, 2018.

3. North Shelby Water proposed a purchased water adjustment factor of \$0.04 per 1,000 gallons in its application

4. During the 12 months ended November 30, 2018, North Shelby Water purchased 258,072,000 gallons of water from Louisville, 108,052,100 gallons of water from Shelbyville, and 75,185,000 gallons of water from Frankfort. During the same period, North Shelby Water sold 375,945,900 gallons of water. The increase in the cost of purchased water is \$11,885.73, resulting in a purchased water adjustment factor of \$0.04 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.04 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable, and should be approved.

6. North Shelby Water'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 Water on and after January 1, 2019.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.04 per 1,000 gallons is approved.

2. The rates proposed by North Shelby Water are approved.

3. The rates as set forth in Appendix B to this Order are approved for water service rendered by North Shelby Water on and after January 1, 2019.

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

5. This case is hereby closed and will be removed from the Commission's docket.

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By the Commission

ENTERED  
JAN 10 2019  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director

Case No. 2018-00420

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2018-00420 DATED **JAN 10 2019**

	New Rate	Base Rate
Frankfort		
Purchases in Gallons	75,185,000	75,185,000
Wholesale rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Shelbyville		
Purchases in Gallons	108,052,100	108,052,100
Wholesale rate	<u>\$2.22/1,000</u>	<u>\$2.11/1,000</u>
	\$239,875.66	\$227,989.93
Louisville		
Purchases in Gallons	258,072,000	258,072,000
Wholesale rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Total	\$239,875.66	\$227,989.93
Increased water cost		\$ 11,885.73
Increased water cost		\$ 11,885.73
Divided by Gallons sold/1,000		<u>375,945,900</u>
Purchased water adjustment factor		\$ 0.0316 per 1,000 Gallons
		or \$ 0.04 per 1,000 Gallons

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00420 DATED **JAN 10 2019**

The following rates and charges are prescribed for the customers in the area served by North Shelby Water Company. 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	\$ 22.58 Minimum Bill
Next	3,000 Gallons	7.59 per 1,000 Gallons
Next	5,000 Gallons	6.21 per 1,000 Gallons
Next	40,000 Gallons	5.52 per 1,000 Gallons
Over	50,000 Gallons	4.84 per 1,000 Gallons

##### 1-Inch Meter

First	5,000 Gallons	\$ 45.35 Minimum Bill
Next	5,000 Gallons	6.21 per 1,000 Gallons
Next	40,000 Gallons	5.52 per 1,000 Gallons
Over	50,000 Gallons	4.84 per 1,000 Gallons

##### 1 1/2-Inch Meter

First	10,000 Gallons	\$ 76.40 Minimum Bill
Next	40,000 Gallons	5.52 per 1,000 Gallons
Over	50,000 Gallons	4.84 per 1,000 Gallons

##### 2-Inch Meter

First	15,000 Gallons	\$104.00 Minimum Bill
Next	35,000 Gallons	5.52 per 1,000 Gallons
Over	50,000 Gallons	4.84 per 1,000 Gallons

##### 3-Inch Meter

First	35,000 Gallons	\$214.40 Minimum Bill
Next	15,000 Gallons	5.52 per 1,000 Gallons
Over	50,000 Gallons	4.84 per 1,000 Gallons

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