

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter of:

APPLICATION OF NORTH SHELBY WATER)	
COMPANY FOR APPROVAL OF INCREASE IN)	CASE NO. 2009-00484
RATES FOR WATER SERVICE)	

ORDER

On January 25, 2010, North Shelby Water Company ("North Shelby") applied to the Commission for an increase in its water rates. The proposed rates would increase annual revenues by \$438,621 or 20.82 percent over normalized revenue from water sales of \$2,106,530.

Commission Staff performed a limited financial review of North Shelby's operations and, on March 22, 2010, issued a Staff Report containing its findings and recommendations concerning the proposed rates. In its report, Staff determined that the proposed rates will allow North Shelby to meet its operating expenses, cover its debt service and provide for future equity growth. Staff, therefore, recommended that the proposed rates in the Appendix be approved.

The Commission, by its Order filed on March 22, 2010, directed all parties to file written comments upon Staff's findings and recommendations or to request a conference or hearing no later than April 5, 2010.

No comments were filed and the Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record and are reasonable.

2. North Shelby's proposed rates will produce annual revenue from sales of \$2,545,151.

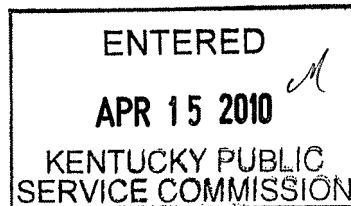
IT IS THEREFORE ORDERED that:

1. The findings and recommendations contained in the Staff Report are adopted and incorporated by reference into this Order as if fully set out herein.

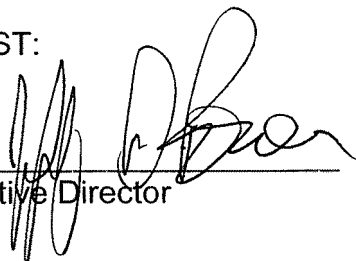
2. North Shelby's proposed water rates, which are set forth in the Appendix to this Order, are approved for service rendered by North Shelby on and after the date of this Order.

3. Within 30 days of the date of this Order, North Shelby shall file with the Commission its revised tariff setting out the rates approved herein.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00484 DATED **APR 15 2010**

Monthly Water Rates

5/8" x 3/4" Meter

First	2,000 gallons	\$ 14.87 minimum bill
Next	3,000 gallons	6.05 per 1,000 gallons
Next	5,000 gallons	4.67 per 1,000 gallons
Next	40,000 gallons	3.98 per 1,000 gallons
Over	50,000 gallons	3.30 per 1,000 gallons

1" Meter

First	5,000 gallons	\$ 33.02 minimum bill
Next	5,000 gallons	4.67 per 1,000 gallons
Next	40,000 gallons	3.98 per 1,000 gallons
Over	50,000 gallons	3.30 per 1,000 gallons

1 1/2" Meter

First	10,000 gallons	\$ 56.37 minimum bill
Next	40,000 gallons	3.98 per 1,000 gallons
Over	50,000 gallons	3.30 per 1,000 gallons

2" Meter

First	15,000 gallons	\$ 76.27 minimum bill
Next	35,000 gallons	3.98 per 1,000 gallons
Over	50,000 gallons	3.30 per 1,000 gallons

3" Meter

First	35,000 gallons	\$ 155.87 minimum bill
Next	15,000 gallons	3.98 per 1,000 gallons
Over	50,000 gallons	3.30 per 1,000 gallons

Darrell Dees
Manager
North Shelby Water Company
P. O. Box 97
Bagdad, KY 40003

Honorable Donald T Prather
Attorney At Law
Mathis, Riggs & Prather, P.S.C. Attorneys at Law
P. O. Box 1059
500 Main Street, Suite 5
Shelbyville, KY 40066-1059