

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
NORTH NELSON WATER DISTRICT)	2016-00197

ORDER

On June 6, 2016, North Nelson Water District, ("North Nelson") 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 Nelson purchases water from the Louisville Water Company ("Louisville") and from the city of Bardstown ("Bardstown").
2. Louisville notified North Nelson on March 18, 2016, that its wholesale rate to North Nelson would increase from \$2.15 per 1,000 gallons to \$2.20 per 1,000 gallons, and the monthly service charge would increase from \$1,002.00 per month to \$1,050.00 per month, effective July 1, 2016.² North Nelson proposed to increase the water rates to its customers effective July 1, 2016, to reflect the increased cost of purchased water.
3. North Nelson proposed a purchased water adjustment factor of \$0.05 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2016-00200 (Ky. PSC filed Mar. 31, 2016); the tariff was accepted for filing by the Commission by letter dated June 22, 2016.

4. During the 12 months ended April 30, 2016, North Nelson purchased 202,912,000 gallons of water from Louisville and 91,416,000 from Bardstown, and sold 259,266,400 gallons of water. The increase in the cost of purchased water is \$10,721.60, 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. 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, 2016.

IT IS THEREFORE ORDERED that:

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

2. North Nelson's proposed rates, as set forth in Appendix B to this Order, are approved for water service rendered by North Nelson on and after July 1, 2016.

3. Within 20 days of the date 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.

By the Commission

ENTERED
JUN 30 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Acting Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2016-00197 DATED **JUN 30 2016**

	New Rate	Base Rate
North Nelson		
Purchases in gallons		
Louisville	202,912,000	202,912,000
Volumetric rate	<u>\$ 2.20/1,000</u>	<u>\$ 2.15/1,000</u>
	\$446,406.40	\$436,260.80
Monthly Service Charge	\$ 1,050.00	\$ 1,002.00
	<u> x12</u>	<u> x12</u>
	\$12,600.00	\$12,024.00
Bardstown	91,416,000	91,416,000
Volumetric rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Total	\$459,006.40	\$448,284.80
Increased water cost		\$10,721.60
Increased water cost		\$10,721.60
Divided by gallons sold/1,000		<u>259,266,400</u>
Purchased water adjustment factor		\$ 0.041353 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. 2016-00197 DATED **JUN 30 2016**

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	\$14.83 Minimum Bill
Next	3,000 gallons	4.24 per 1,000 gallons
Next	5,000 gallons	3.72 per 1,000 gallons
Over	10,000 gallons	3.37 per 1,000 gallons
Truck Loading Station		7.05 per Month

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General Manager
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