

COMMISSIONERS

Ray Larmee,
Chairman

Raymond Williams,
Secretary

Ben Quinn,
Treasurer

West Shelby Water District

7101 Shelbyville Rd.
P.O. Box 39
Simpsonville, KY 40067
(502) 722-8944
State Relay TDD (800) 648-6057
E-mail: info@westshelbywater.org

MANAGERS

Wanda Land,
Co-Manager

Steve Eden,
Co-Manager

April 4, 2012

RECEIVED

APR 11 2012

PUBLIC SERVICE
COMMISSION

Public Service Commission
Division of Rates and Tariffs
615 Sower Blvd.
P. O. Box 615
Frankfort, KY 40602

RE: Proposed adjustment of the wholesale water rates of the Louisville Water Company

To Whom It May Concern:

The West Shelby Water District respectfully requests that the Public Service Commission allow us to make an adjustment in our rates in accordance with 807 KAR 5:068 Purchased Water Adjustments for Water Districts.

Our supplier, Louisville Water Company, has informed the District that an increase will take effect July 1st, 2012. The District purchased 277,478,300 gallons of water from February 1, 2011 to January 31, 2012 at a total cost of \$524,744.36. The District sold 254,282,000 gallons of water to its customers. With the wholesale increase the new cost is expected to be \$550,793.60. The difference between the current cost and proposed cost will be \$26,049.24. The incremental cost in terms of water sold is \$0.1024 cents per 1,000 gallons. We propose to raise each gallonage block that amount.

The following documents are enclosed:

- Exhibit A: Purchase Water Adjustment for Water District Form
- Exhibit B: Supplier's Notice of Changed Rate
- Exhibit C: Statement of Water Purchases
- Exhibit D: Statement of Water Sold
- Exhibit E: Purchased Water Adjustment Calculations
- Exhibit F: Notice to Customers
- Exhibit G: Revised Tariff Sheet

If you have any questions, please contact Lisa M. Didier, Executive Administrator of the West Shelby Water District at (502) 722-8944.

Yours truly,



Lisa M. Didier,
Executive Administrator
West Shelby Water District

Enclosures

**PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND ASSOCIATIONS
(807 KAR 5:068)**

Name of Utility	West Shelby Water District	
Date	04/06/2012	
Address	7101 Shelbyville Rd , PO Box 93	
City, State, Zip	Simpsonville, KY	40067
Telephone Number	(502) 722-8944	

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.



Supplier(s)	Base Rate	Changed Rate
Louisville Water Co.	\$1.87/1,000 gallons	\$1.99/1,000 gallons
Shelbyville Municipal Water	\$1.90/1,000 gallons	No Change

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit "B"

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	February 1, 2011	through	January 31, 2012
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
Louisville Water Company	213,040,000
Shelbyville Municipal Water & Sewer	64,438,000
TOTAL PURCHASES	277,478,000
4. Total gallons sold for the 12 month period	254,282,300 Exhibit D
5. Increased water cost	26049.24 Exhibit E
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.1024 per 1000 gal. Exhibit E
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</p>	
7. Proposed effective date	July 1, 2012
	
Signature of Utility Officer	
	
Title	



March 14, 2012

Mr. Steve Eden
Manager
West Shelby Water District
P.O. Box 26
Simpsonville, KY 40067

Dear Steve:

On behalf of Louisville Water Company, thank you for attending the meeting of our wholesale customers on February 27, 2012. I appreciate the opportunity for feedback from this important customer group of our Company.

As previously discussed at the above meeting, Louisville Water Company anticipates the rate for wholesale water service on and after July 1, 2012 will be \$1.69 per thousand gallons, plus an elevated service area surcharge of \$0.30 per thousand gallons.

We are planning to file the necessary documentation for this new rate with the Public Service Commission over the next few weeks. The PSC advised us last year that we must inform you of the proposed rate increase in the format of the notice attached on the next page, although we have already provided notice to you at our wholesale customer meeting February 27, 2012.

In addition, we have previously been advised by the Kentucky Public Service Commission that it is helpful to their review process if we can provide a letter from each of our regulated wholesale customers, indicating they have been notified of the proposed rate going into effect and that they do not intend to file for intervention. If this is indeed the case with West Shelby Water District, we respectfully ask that West Shelby send a letter confirming this to the PSC.

Thank you again for attending our wholesale customer meeting. If you have any questions or need additional information please call Patti Kaelin at 502.569.0843, or Jim Smith at 502.569.3687. I can also be reached at 502.569.3681.

Sincerely,

Gregory C. Heitzman
President/CEO

EXHIBIT B

NOTICE

The Louisville Water Company has filed a proposed rate schedule which will increase by 6 % the rate(s) which it currently charges to West Shelby Water District for water service.

Louisville Water Company currently charges West Shelby Water District a \$120.58 and a \$ 206.70 monthly meter fee, \$1.57 per thousand gallons, and \$0.30 elevated service area surcharge per thousand gallons, for a total rate of \$1.87 per thousand gallons.

Louisville Water Company proposes to charge West Shelby Water District a \$135.45 and a \$232.20 monthly meter fee, and \$1.69 per thousand gallons, and \$0.30 elevated service area surcharge per thousand gallons, for a total rate of \$1.99 per thousand gallons, effective July 1, 2012.

The rates contained in this notice are the rates proposed by Louisville Water Company. The Public Service Commission, however, may order rates to be charged that differ from the proposed rates contained in this notice.

Any corporation, association or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Any person who has been granted intervention by the Public Service Commission may obtain copies of the rate application and other filings made by Louisville Water Company by contacting Barbara Dickens at Louisville Water Company, 550 s. 3rd Street, Louisville, Kentucky. Her phone number is 502.569.0808.

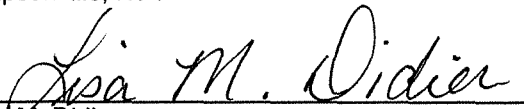
Any person may examine the Louisville Water Company rate application and any other filings at its main office at 550 s. 3rd Street, Louisville, Kentucky or at the Public Service Commission's Office at 211 Sower Blvd, Frankfort, Kentucky.

**WEST SHELBY WATER DISTRICT
STATEMENT OF PURCHASED WATER**

Feb 1, 2011 through Jan 31, 2011

	Shelbyville Municipal		Louisville Water		Total Gals.	Total
	Gallons	Cost	Gallons	Cost	Purchased	Cost
Feb-11	7,093,500	\$ 12,981.10	14,299,000	\$ 24,601.75	21,392,500	\$ 37,582.85
March	4,876,900	\$ 9,266.11	14,307,000	\$ 24,983.83	19,183,900	\$ 34,249.94
April	4,903,800	\$ 9,317.22	16,225,000	\$ 28,317.29	21,128,800	\$ 37,634.51
May	4,597,700	\$ 8,735.63	15,006,000	\$ 26,197.02	19,603,700	\$ 34,932.65
June	6,199,500	\$ 11,779.05	19,944,000	\$ 34,652.30	26,143,500	\$ 46,431.35
July	5,673,100	\$ 10,778.89	22,183,000	\$ 39,775.71	27,856,100	\$ 50,554.60
Aug	6,758,300	\$ 12,840.77	23,804,000	\$ 45,168.04	30,562,300	\$ 58,008.81
Sept	5,903,000	\$ 11,215.70	24,564,000	\$ 46,632.88	30,467,000	\$ 57,848.58
Oct	5,304,600	\$ 10,078.74	18,396,000	\$ 35,055.08	23,700,600	\$ 45,133.82
Nov	4,666,900	\$ 8,867.11	15,274,000	\$ 29,195.12	19,940,900	\$ 38,062.23
Dec.	4,455,300	\$ 8,465.07	14,654,000	\$ 28,101.18	19,109,300	\$ 36,566.25
Jan-12	4,005,400	\$ 7,610.26	14,384,000	\$ 27,552.64	18,389,400	\$ 35,162.90
Total	64,438,000	\$ 121,935.65	213,040,000	\$ 390,232.84	277,478,000	\$ 524,744.36

Done this 4th day of April 2012 at Simpsonville, KY .



Lisa M. Didier
Executive Administrator

**WEST SHELBY WATER DISTRICT
STATEMENT OF WATER SOLD
Feb 1, 2011 through Jan 31, 2012**

Feb-11	18,604,100
Mar	16,288,200
Apr	18,738,800
May	19,773,400
June	24,759,800
Jul	23,130,400
Aug	30,545,200
Sep	26,985,400
Oct	21,242,000
Nov	19,566,100
Dec	16,969,800
Jan-12	17,679,100
Total	254,282,300

Done this 4th day of April 2012 at Simpsonville, KY



Lisa M. Didier
Executive Administrator

WEST SHELBY WATER DISTRICT

4/3/2012

PURCHASED WATER ADJUSTMENT CALCULATIONS

<u>Current Water Purchased:</u>		@		Cost
Louisville	213,040,000	Gallons	\$ 1.87/1,000 gal.*	\$ 398,384.80
	(including \$327.28 monthly surcharge)			\$ 3,927.36
Shelbyville	64,438,000	Gallons	\$ 1.90/1,000 gal.	\$ 122,432.20
Total	277,478,000	Gallons		\$ 524,744.36

Water Sold: **254,282,300** Gallons

<u>Increased Purchase Cost:</u>				
Louisville	213,040,000	Gallons	\$ 1.99/1,000 gal.	\$ 423,949.60
	(including \$367.65 monthly surcharge)			\$ 4,411.80
Shelbyville	64,438,000	Gallons	\$ 1.90/1,000 gal.	\$ 122,432.20
Total	277,478,000	Total		\$ 550,793.60
		Increase	:	\$ 26,049.24

<u>Increase</u>	\$ 26,049.24		adjustment	
<u>Water Sold</u>	254,282,300	Gallons=	factor	\$ 0.1024 cents/1,000

Done this 4th day of April 2012 at Simpsonville, KY.



 Lisa M. Didier
 Executive Administrator

EXHIBIT "E"

NOTICE

West Shelby Water District has filed an application with the Public Service Commission for a proposed rate change for water service, effective July 1, 2012. The change is made necessary due to an increase in the wholesale price of water from one of our suppliers, Shelbyville Municipal Water & Sewer. The following rates may be altered by the PSC after examining the application.

			Current Rates	increase:	Rounded	\$ 0.1000
5/8 inch Meter						
First	2,500	Gallons per month , minimum bill	\$ 6.8080	\$ 17.02	\$ 17.2700	\$ 6.9080
Next	7,500	Gallons per month , per 1,000 gallons		4.98	\$ 5.0800	5.08
Next	20,000	Gallons per month , per 1,000 gallons		4.66	\$ 4.7600	4.76
Next	200,000	Gallons per month , per 1,000 gallons		4.25	\$ 4.3500	4.35
Over	230,000	Gallons per month , per 1,000 gallons		3.84	\$ 3.9400	3.94
3/4 inch Meter						
First	3,500	Gallons per month , minimum bill	\$ 6.2829	\$ 21.99	\$ 22.3400	\$ 6.3829
Next	6,500	Gallons per month , per 1,000 gallons		4.98	\$ 5.0800	5.08
Next	20,000	Gallons per month , per 1,000 gallons		4.66	\$ 4.7600	4.76
Next	200,000	Gallons per month , per 1,000 gallons		4.25	\$ 4.3500	4.35
Over	230,000	Gallons per month , per 1,000 gallons		3.84	\$ 3.9400	3.94
1 inch Meter						
First	5,000	Gallons per month , minimum bill	\$ 5.8940	\$ 29.47	\$ 29.9700	\$ 5.9940
Next	5,000	Gallons per month , per 1,000 gallons		4.98	\$ 5.0800	5.08
Next	20,000	Gallons per month , per 1,000 gallons		4.66	\$ 4.7600	4.76
Next	200,000	Gallons per month , per 1,000 gallons		4.25	\$ 4.3500	4.35
Over	230,000	Gallons per month , per 1,000 gallons		3.84	\$ 3.9400	3.94
1 1/2 inch Meter						
First	10,000	Gallons per month , minimum bill	\$ 5.4370	\$ 54.37	\$ 55.3700	\$ 5.5370
Next	20,000	Gallons per month , per 1,000 gallons		4.66	\$ 4.7600	4.76
Next	200,000	Gallons per month , per 1,000 gallons		4.25	\$ 4.3500	4.35
Over	230,000	Gallons per month , per 1,000 gallons		3.84	\$ 3.9400	3.94
2 inch Meter						
First	16,000	Gallons per month , minimum bill	\$ 5.1456	\$ 82.33	\$ 83.93	\$ 5.2456
Next	14,000	Gallons per month , per 1,000 gallons		4.66	\$ 4.7600	4.76
Next	200,000	Gallons per month , per 1,000 gallons		4.25	\$ 4.3500	4.35
Over	230,000	Gallons per month , per 1,000 gallons		3.84	\$ 3.9400	3.94
3 inch Meter						
First	30,000	Gallons per month , minimum bill	\$ 4.9190	\$ 147.57	\$ 150.5700	\$ 5.0190
Next	200,000	Gallons per month , per 1,000 gallons		4.25	\$ 4.3500	4.35
Over	230,000	Gallons per month , per 1,000 gallons		3.84	\$ 3.9400	3.94
4 inch Meter						
First	50,000	Gallons per month , minimum bill	\$ 4.6514	\$ 232.57	\$ 237.5700	\$ 4.7514
Next	180,000	Gallons per month , per 1,000 gallons		4.25	\$ 4.3500	4.35
Over	230,000	Gallons per month , per 1,000 gallons		3.84	\$ 3.9400	3.94
6 inch Meter						
First	100,000	Gallons per month , minimum bill	\$ 4.4507	\$ 445.07	\$ 455.0700	\$ 4.5507
Next	130,000	Gallons per month , per 1,000 gallons		4.25	\$ 4.3500	4.35
Over	230,000	Gallons per month , per 1,000 gallons		3.84	\$ 3.9400	3.94

All persons having reason to intervene should file with the PSC, P.O. Box 615, Frankfort, KY 40602. The application is on file at the office of the West Shelby Water District in Simpsonville, KY and is available for examination during regular business hours.

EXHIBIT G
Revised Tariff Sheet

FOR Shelby County, Simpsonville, Kentucky
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

WEST SHELBY WATER DISTRICT
(Name of Utility)

CANCELLING P.S.C. KY. NO.

_____ SHEET NO. _____

RATES AND CHARGES

Applicable: Entire Area Served
Available: To all Customers served by the District

A. Monthly Rates:

5/8 inch Meter

First	2,500	Gallons per month , minimum bill	\$ 17.27
Next	7,500	Gallons per month , per 1,000 gallons	5.08
Next	20,000	Gallons per month , per 1,000 gallons	4.76
Next	200,000	Gallons per month , per 1,000 gallons	4.35
Over	230,000	Gallons per month , per 1,000 gallons	3.94

3/4 inch Meter

First	3,500	Gallons per month , minimum bill	\$ 22.34
Next	6,500	Gallons per month , per 1,000 gallons	5.08
Next	20,000	Gallons per month , per 1,000 gallons	4.76
Next	200,000	Gallons per month , per 1,000 gallons	4.35
Over	230,000	Gallons per month , per 1,000 gallons	3.94

1 inch Meter

First	5,000	Gallons per month , minimum bill	\$ 29.97
Next	5,000	Gallons per month , per 1,000 gallons	5.08
Next	20,000	Gallons per month , per 1,000 gallons	4.76
Next	200,000	Gallons per month , per 1,000 gallons	4.35
Over	230,000	Gallons per month , per 1,000 gallons	3.94

1 1/2 inch Meter

First	10,000	Gallons per month , minimum bill	\$ 55.37
Next	20,000	Gallons per month , per 1,000 gallons	4.76
Next	200,000	Gallons per month , per 1,000 gallons	4.35
Over	230,000	Gallons per month , per 1,000 gallons	3.94

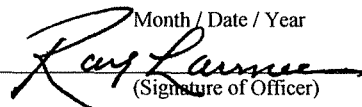
DATE OF ISSUE _____

Month / Date / Year

DATE EFFECTIVE July 1, 2012

Month / Date / Year

ISSUED BY _____


(Signature of Officer)

TITLE DISTRICT COMMISSION CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR Shelby County, Simpsonville, Kentucky
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

WEST SHELBY WATER DISTRICT
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

2 inch Meter

First	16,000	Gallons per month , minimum bill	\$ 83.93
Next	14,000	Gallons per month , per 1,000 gallons	4.76
Next	200,000	Gallons per month , per 1,000 gallons	4.35
Over	230,000	Gallons per month , per 1,000 gallons	3.94

3 inch Meter

First	30,000	Gallons per month , minimum bill	\$ 150.57
Next	200,000	Gallons per month , per 1,000 gallons	4.35
Over	230,000	Gallons per month , per 1,000 gallons	3.94

4 inch Meter

First	50,000	Gallons per month , minimum bill	\$ 237.57
Next	180,000	Gallons per month , per 1,000 gallons	4.35
Over	230,000	Gallons per month , per 1,000 gallons	3.94

6 inch Meter

First	100,000	Gallons per month , minimum bill	\$ 455.07
Next	130,000	Gallons per month , per 1,000 gallons	4.35
Over	230,000	Gallons per month , per 1,000 gallons	3.94

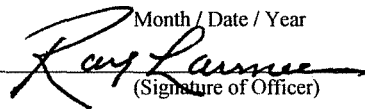
DATE OF ISSUE _____

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DATE EFFECTIVE July 1, 2012

Month / Date / Year

ISSUED BY _____


(Signature of Officer)

TITLE DISTRICT COMMISSION CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____

DATED _____