



August 19, 2013

Mr. Jeff Derouen
Executive Director
Public Service Commission
PO Box 615
Frankfort, KY 40602

RECEIVED
AUG 22 2013
PUBLIC SERVICE
COMMISSION

RE: North Nelson Water District
Purchased Water Adjustment

Dear Mr. Derouen:

Enclosed for filing are the original and ten (10) copies of the application for A Purchased Water Adjustment (PWA) of the North Nelson Water District.

Attached to the PWA Application is the Customer Notice which will be published in the local newspaper prior to the rendering of the first bill at the increased rate.

Should you need any additional information, please let me know.

Yours truly,
North Nelson Water District


Colin S. Cissell, General Manager

Enclosures

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

Name of Utility	North Nelson Water District	
Date	8/19/2013	
Address	P.O. Box 25	
City, State, Zip	Cox's Creek	KY 40013
Telephone Number	502-348-8342	

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.

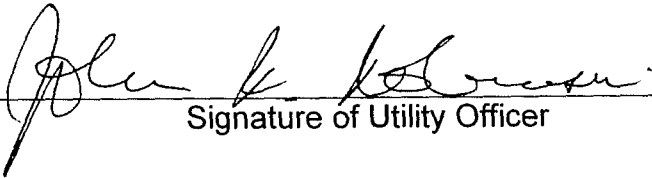
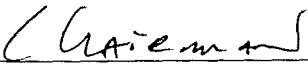
Supplier(s)	Base Rate	Changed Rate
City of Bardstown	1.70	2.00
Louisville Water Company	2.05	N/A

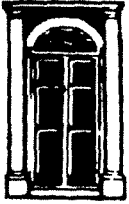
1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit

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	August 2012	through	July 2013
	(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	178,918,000
City of Bardstown	137,785,200
TOTAL PURCHASES	316,703,200
	261,995,100
4. Total sales for the 12 month period	
	41,335.56
5. Increased water cost	
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
	0.16 per thousand
6. Purchased water adjustment factor	
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>	
	September 1, 2013
7. Proposed effective date	
	
Signature of Utility Officer	
	
Title	



OLD KENTUCKY HOME
DOORWAY

City of Bardstovon

WILLIAM S. SHECKLES, MAYOR
220 N. 5TH ST.
BARDSTOWN, KENTUCKY 40004
TEL. NO. 502/348-5947
FAX. NO. 502/348-2433



ART TREASURES IN
ST. JOSEPH CATHEDRAL

July 8, 2013

Mr. Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

RECEIVED

JUL 11 2013

PUBLIC SERVICE
COMMISSION

RE: Wholesale Water Rate Adjustment for North Nelson &
Larue County #1 Water Districts

Dear Mr. Derouen:

Please consider this as the 30-day notice required for the City of Bardstovon in order to modify its wholesale water rate for service to North Nelson Water District and Larue County Water District #1.

Both water districts were notified of the increase via a document hand delivered on June 10, 2013. A copy of the notice is enclosed. The rate was approved in City Ordinance Number 2013-12.

Enclosed is a proposed tariff sheet with an effective date of September 1, 2013 for October billing. The new rate was determined by cost of service calculations performed by the City of Bardstovon staff.

Thank you for your assistance with this matter.

Sincerely:

Lawrence A. Hamilton, P.E.
Director of Public Works & Engineering
City of Bardstovon
220 N. Fifth Street
Bardstovon, KY 40004

Enclosure

NOTICE:

The City of Bardstown ("Bardstown") has filed a proposed rate schedule with the Public Service Commission which will increase the rate for water service provided North Nelson Water District and Larue County Water District #1 as follows:

<u>Current Rate</u>	<u>Proposed Rate</u>	<u>\$ Difference</u>	<u>% Difference</u>
\$1.70 per 1,000 gallons	\$2.00 per 1,000 gallons	\$0.30 per 1,000 gallons	17.6% Increase

The proposed effective date is September 1, 2013. Water flowing through the meter(s) before the effective date will be charged at the current rate. Water flowing through the meter(s) on and after the effective date will be charged at the new proposed rate.

The rates contained in this notice are the rates proposed by Bardstown. However, the Public Service Commission 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. The motion shall be submitted to the Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, and shall set forth the grounds for the request including the status and interest of the party. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Intervenors may obtain copies of the rate application and testimony by visiting the office located at 220 North Fifth Street in Bardstown, Kentucky; telephone (502) 348-5947.

Any person may examine the rate application and testimony by visiting the office located at 220 North Fifth Street in Bardstown, Kentucky or by contacting the Public Service Commission at 211 Sower Boulevard in Frankfort, Kentucky; telephone 502-564-3940.

ORDINANCE NO. B2013 - 12

AN ORDINANCE AMENDING AND ADOPTING AS AMENDED AN ORDINANCE RELATING TO CHAPTER 52 WATER OF THE CITY OF BARDSTOWN'S CODE OF ORDINANCES.

THE CITY COUNCIL FOR THE CITY OF BARDSTOWN, KENTUCKY DOES HEREBY ORDAIN AS FOLLOWS:

That Chapter 52 WATER, Section 52.01 RATES (B) of the Bardstown Municipal Code, be amended to read as follows:


§ 52.01 RATES

(B) Contract Water Service. The rate and conditions charged for all water sold by the city to customers under agreement shall be modified according to the terms of said agreement(s) and, where applicable, approved by the Kentucky Public Service Commission as governed by law. The rates charged for water under the wholesale contracts shall be ~~\$1.70~~ **\$2.00** per one thousand gallons for all metered consumption. The effective date of said rate modification shall be September 1, ~~2003~~ **2013**; the rate modification shall apply to water meter readings made in September for billing due October 1, ~~2003~~ **2013**.

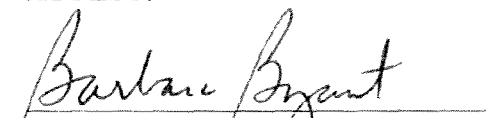
All ordinances in conflict herewith are hereby repealed to the extent of such conflict.

This ordinance shall take effect and be in force immediately upon its passage and publication as required by law.

CITY OF BARDSTOWN


William S. Sheckles, Mayor

ATTEST:


Barbara Bryant, City Clerk

Dated: 6-25-13

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. _____

Fifth Revised SHEET NO. 2

North Nelson Water District
(Name of Utility)

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

Fourth Revised SHEET NO. 2

Rates and Charges

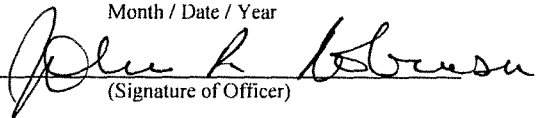
Monthly Water Rates

All Meter Sizes

First 2,000 Gallons	\$ 14.53 Minimum Bill
Next 3,000 Gallons	\$ 4.09 Per 1,000 Gallons
Next 5,000 Gallons	\$ 3.57 Per 1,000 Gallons
Over 10,000 Gallons	\$ 3.22 Per 1,000 Gallons
Truck Loading Stations	\$ 6.90 Per 1,000 Gallons

DATE OF ISSUE August 19, 2013
Month / Date / Year

DATE EFFECTIVE September 1, 2013
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE Chairman

By Authority Of Order Of The Public Service Commission
IN CASE NO. _____ DATED _____

**A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE NORTH NELSON WATER DISTRICT ADJUSTING
WATER RATES AND CHARGES TO OFFSET THE CITY
OF BARDSTOWN WHOLESALE RATE INCREASE**

WHEREAS, the City of Bardstown (“Bardstown”) is one of North Nelson Water District’s (“District”) wholesale water providers;

WHEREAS, on July 11, 2013, Bardstown filed an application with the Kentucky Public Service Commission (“PSC”) seeking to increase the wholesale water rate that Bardstown charges the District from \$1.70 to \$2.00 per 1,000 gallons (See PSC Case TFS2013-00516), effective September 1, 2013;

WHEREAS, based upon the water purchases from Bardstown during the previous 12 months, the estimated annual increased cost to the District will be \$41,335.56;

WHEREAS, prudent financial management dictates that the District take immediate action to adjust its retail rates commensurate with Bardstown’s wholesale rate increase; and

WHEREAS, KRS 278.015 and 807 KAR 5:068 provide the legal mechanism for the District to increase its water rates commensurate with Bardstown’s wholesale rate increase via a Purchased Water Adjustment (“PWA”);

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF NORTH NELSON WATER DISTRICT AS FOLLOWS:

Section 1. The facts, recitals and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution.

Section 2. The PWA factor is **\$0.16** per 1,000 gallons;

Section 3. All tiers of water usage set forth in the District's existing tariff shall be increased by **\$0.16** per 1,000 gallons, effective September 1, 2013, subject to any minor adjustment that may be made by the PSC.

Section 4. The monthly water rates to be charged to and collected from the customers and users of the water system of the District shall be as set forth in **Appendix A**, which is attached hereto and is incorporated herein by reference as a part of this Resolution. The rates and charges set forth in **Appendix A** are subject to any minor adjustment that may be made by the PSC. These monthly rates and charges shall be in effect for all water service rendered on and after September 1, 2013.

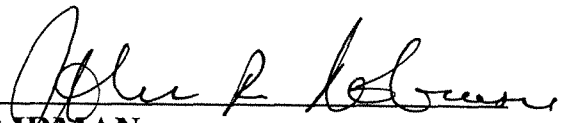
Section 5. The Chairman is hereby authorized and directed to execute and file the PWA Application, Tariff Sheet, and all other documents that may be required by the PSC.

Section 6. The Chairman, all appropriate District Staff, and the District's attorney are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement the PWA.


Section 7. This Resolution shall take effect upon its adoption.

ADOPTED BY THE COMMISSION OF NORTH NELSON WATER DISTRICT at a meeting held on August 19, 2013, signed by the Chairman, and attested by the Secretary.

ATTEST:



CHAIRMAN

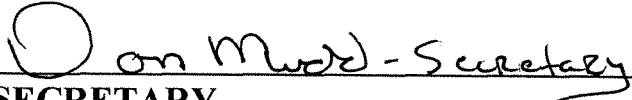


SECRETARY

CERTIFICATION

I, Secretary of the North Nelson Water District (the "District"), do hereby certify that the foregoing is a true copy of a Resolution duly adopted by the Commission of the District at a meeting properly held on August 19, 2013, signed by the Chairman of the Commission, attested by me as Secretary, and now in full force and effect.

WITNESS my hand this 19th day of August, 2013.


Don Mudd - Secretary
SECRETARY

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. _____

Fifth Revised SHEET NO. 2

North Nelson Water District
(Name of Utility)

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

Fourth Revised SHEET NO. 2

Rates and Charges

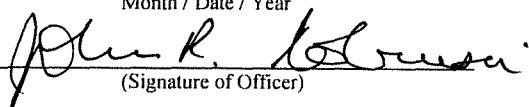
Monthly Water Rates

All Meter Sizes

First 2,000 Gallons	\$ 14.53 Minimum Bill
Next 3,000 Gallons	\$ 4.09 Per 1,000 Gallons
Next 5,000 Gallons	\$ 3.57 Per 1,000 Gallons
Over 10,000 Gallons	\$ 3.22 Per 1,000 Gallons
Truck Loading Stations	\$ 6.90 Per 1,000 Gallons

DATE OF ISSUE August 19, 2013
Month / Date / Year

DATE EFFECTIVE September 1, 2013
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE Chairman

By Authority Of Order Of The Public Service Commission
IN CASE NO. _____ DATED _____

CUSTOMER NOTICE

Due to a rate increase from the City of Bardstown, notice is hereby given that the North Nelson Water District has filed an application for a Purchased Water Adjustment with the Kentucky Public Service Commission for adjusting its water rates. Customer rates will increase by \$0.16 per 1,000 gallons used. The proposed change will be effective for service rendered on and after September 1, 2013.

Monthly Water Rates

	Current Rates	Proposed Rates
First 2,000 gallons	\$14.21 Minimum Bill	\$14.53 Minimum Bill
Next 3,000 gallons	3.93 per 1,000 gallons	4.09 per 1,000 gallons
Next 5,000 gallons	3.41 per 1,000 gallons	3.57 per 1,000 gallons
Over 10,000 gallons	3.06 per 1,000 gallons	3.22 per 1,000 gallons
Truck loading stations	6.74 per 1,000 gallons	6.90 per 1,000 gallons

The monthly bill for a residential customer using an average of 5,000 gallons per month will increase from \$26.00 to \$26.80. This is an increase of \$0.80 or 3.1 %.

The rates contained in this notice are the rates proposed by North Nelson Water District. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates shown in this notice.

North Nelson Water District has available for inspection at its office the application which it submitted to the Public Service Commission. North Nelson Water District's office is located at 5555 Louisville Road, Cox's Creek, KY 40013. You may contact the office at 502-348-8342.