

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF NORTH SHELBY WATER)	2014-00394
COMPANY)	

ORDER

On November 19, 2014,¹ North Shelby Water Company's ("North Shelby") application for approval to adjust its rates pursuant to the purchased water adjustment procedure² was accepted for filing.

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

1. North Shelby purchases water from the Frankfort Electric & Water Plant Board ("Frankfort") and others.
2. On July 28, 2013, Frankfort increased the Kentucky River Authority ("KRA") withdrawal fee component of its wholesale water rate to North Shelby from \$0.1079 per 1,000 gallons to \$0.20 per 1,000 gallons.
3. On November 12, 2014, Frankfort increased the wholesale water component of its rate to North Shelby from \$2.01 per 1,000 gallons to \$2.25 per 1,000

¹ This application was initially submitted on November 13, 2014. Due to deficiencies in the filing, it was not accepted by the Commission for filing until November 19, 2014.

² KRS 278.015; 807 KAR 5:068.

gallons.³ North Shelby proposed to increase the water rates to reflect the increased cost of purchased water effective November 12, 2014.

4. During the 12 months ended August 31, 2014, North Shelby purchased a total of 414,089,800 gallons of water, 160,805,000 of which were purchased from Frankfort. North Shelby sold 371,629,000 gallons of water during the same 12 months. The increase in the cost of purchased water is \$53,403.34, resulting in a purchased water adjustment factor of \$0.15 per 1,000 gallons.

5. The purchased water adjustment of \$0.15 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. North Shelby's proposed rates, as set forth in Appendix B to this Order, are fair, just, and reasonable and should be approved for water service rendered on and after November 12, 2014.

IT IS THEREFORE ORDERED that:

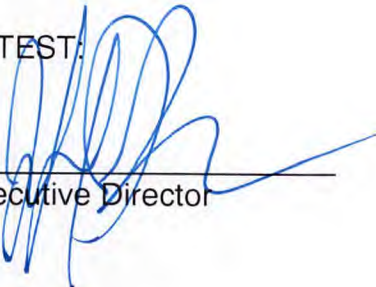
1. The purchased water adjustment of \$0.15 per 1,000 gallons is approved.
2. North Shelby's proposed rates are approved for service rendered on or after November 12, 2014.
3. Within 20 days of the date of this Order, North Shelby shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

³ Case No. 2014-00254, *Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board* (Ky. PSC Nov. 12, 2014).

By the Commission

ENTERED
DEC 12 2014
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00394 DATED **DEC 12 2014**

	New Rate	Base Rate
North Shelby		
Purchases in gallons	160,805,000	160,805,000
Volumetric rate	<u>\$ 2.25/1,000</u>	<u>\$ 2.01/1,000</u>
	\$361,811.25	\$323,218.05
North Shelby		
Purchases in gallons	160,805,000	160,805,000
KRA Withdrawal Fee	<u>\$ 0.20/1,000</u>	<u>\$0.1079/1,000</u>
	\$ 32,161.00	\$ 17,350.86
Increased water cost		\$53,403.34
Increased water cost	\$ 53,403.34	
Divided by gallons sold/1,000	<u>371,629,000</u>	
	\$ 0.1437	
Purchased water adjustment factor	\$0.15 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2014-00394 DATED **DEC 12 2014**

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 authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8-Inch x 3/4-Inch Meter

First	2,000 gallons	\$17.96	Minimum Bill
Next	3,000 gallons	6.79	per 1,000 gallons
Next	5,000 gallons	5.41	per 1,000 gallons
Next	40,000 gallons	4.72	per 1,000 gallons
Over	50,000 gallons	4.04	per 1,000 gallons

1-Inch Meter

First	5,000 gallons	\$38.30	Minimum Bill
Next	5,000 gallons	5.41	per 1,000 gallons
Next	40,000 gallons	4.72	per 1,000 gallons
Over	50,000 gallons	4.04	per 1,000 gallons

1 1/2-Inch Meter

First	10,000 gallons	\$65.35	Minimum Bill
Next	40,000 gallons	4.72	per 1,000 gallons
Over	50,000 gallons	4.04	per 1,000 gallons

2-Inch Meter

First	15,000 gallons	\$88.95	Minimum Bill
Next	35,000 gallons	4.72	per 1,000 gallons
Over	50,000 gallons	4.04	per 1,000 gallons

3-Inch Meter

First	35,000 gallons	\$183.35	Minimum Bill
Next	15,000 gallons	4.72	per 1,000 gallons
Over	50,000 gallons	4.04	per 1,000 gallons

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