#### COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF ) CASE NO. NORTH SHELBY WATER COMPANY ) 2015-00176

#### ORDER

On June 1, 2015, North Shelby Water Company ("North Shelby") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

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

- North Shelby purchases water from Louisville Water Company ("Louisville Water"), Frankfort Electric & Water Plant Board, Shelbyville Municipal Water & Sewer Commission, and West Shelby Water District.
- 2. On July 1, 2015, Louisville Water's monthly service charge to North Shelby will increase from \$878.76 to \$951.90 per month, and its elevated area surcharge to North Shelby will increase from \$0.30 per 1,000 gallons to \$0.35 per 1,000 gallons.<sup>2</sup> North Shelby proposes to increase the water rates to its customers effective July 1, 2015, to reflect the increased cost of purchased water.
- 3. During the 12 months ended March 31, 2015, North Shelby purchased a total of 411,599,400 gallons of water, 249,221,000 of which were purchased from Louisville Water, and sold 345,045,900 gallons. The increase in the cost of purchased

<sup>&</sup>lt;sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>&</sup>lt;sup>2</sup> TFS 2015-00203 (Ky. PSC Filed Apr. 2, 2015); The tariff was accepted for filing by the Commission by letter dated June 9, 2014.

water is \$13,338.73, resulting in a purchased water adjustment factor of \$0.04 per 1,000 gallons.

- 4. The purchased water adjustment factor of \$0.04 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.
- 5. 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 July 1, 2015.

#### IT IS THEREFORE ORDERED that:

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- 1. The purchased water adjustment factor of \$0.04 per 1,000 gallons is approved.
- 2. North Shelby's proposed rates are approved for water service rendered on and after July 1, 2015.
- 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.

By the Commission

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JUN 3 0 2015

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

#### APPENDIX A

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00176 DATED JUN 3 0 2015

Louisville Water	New Rate	Base Rate	
Monthly Service Charge	\$ 951.90/month X 12 \$11,422.80	\$ 878.76/month <u>X 12</u> \$10,545.12	
Purchases in gallons Louisville Water Volumetric rate	249,221,000 \$ 0.35/1,000 \$ 87,227.35	249,221,000 \$ 0.30/1,000 \$ 74,766.30	
Total	\$ 98,650.15	\$ 85,311.42	
Increased water cost	\$13,338.73		
Increased water cost Divided by gallons sold/1,000	\$ 13,338.73 <u>345,045,900</u> \$ 0.0386		
Purchased water adjustment factor	\$ 0.04 per 1.000 gallons		

#### APPENDIX B

## APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00176 DATED JUN 3 0 2015

The following rates and charges are prescribed for the customers in the area served by North Shelby 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

5/8- X 3/4-Inch Meter				
First	2,000	Gallons	\$	18.04 Minimum Bill
Next	3,000	Gallons		6.83 per 1,000 Gallons
Next	5,000	Gallons		5.45 per 1,000 Gallons
Next	40,000	Gallons		4.76 per 1,000 Gallons
Over	50,000	Gallons		4.08 per 1,000 Gallons
1-Inch Meter				
First	5,000	Gallons	\$	38.50 Minimum Bill
Next	5,000	Gallons	•	5.45 per 1,000 Gallons
Next	40,000	Gallons		4.76 per 1,000 Gallons
Over	50,000	Gallons		4.08 per 1,000 Gallons
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1 1/2-Inch Meter				
First	10,000	Gallons	\$	65.75 Minimum Bill
Next	40,000	Gallons		4.76 per 1,000 Gallons
Over	50,000	Gallons		4.08 per 1,000 Gallons
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Company	Meter	0.11	•	00.55.14
First	15,000	Gallons	\$	89.55 Minimum Bill
Next	35,000	Gallons		4.76 per 1,000 Gallons
Over	50,000	Gallons		4.08 per 1,000 Gallons
3-Inch Meter				
First	35,000	Gallons	\$	184.75 Minimum Bill
Next	15,000	Gallons	+	4.76 per 1,000 Gallons
Over	50,000	Gallons		4.08 per 1,000 Gallons
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\*North Shelby Water Company 4596 Bagdad Road P. O. Box 97 Bagdad, KY 40003

\*Jerry Ruble President North Shelby Water Company 4596 Bagdad Road P. O. Box 97 Bagdad, KY 40003