COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)CASE NO.WEST SHELBY WATER DISTRICT)2015-00202

<u>ORDER</u>

On June 22, 2015, West Shelby Water District ("West Shelby") 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. West Shelby purchases water from the Louisville Water Company ("Louisville") and from the Shelbyville Municipal Water System ("Shelbyville").

2. Louisville notified West Shelby that effective July 1, 2015, Louisville would increase its wholesale rate to West Shelby from \$2.10 per 1,000 gallons to \$2.15 per 1,000 gallons and would increase its customer charge from \$439.38 per month to \$475.95 per month.² West Shelby proposed to increase the water rates to its customers effective July 15, 2015, to reflect the increased cost of purchased water.

West Shelby proposed a purchased water adjustment factor of \$0.05 per
1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2015-00201 (Ky. PSC filed Apr. 2, 2015); The tariff was accepted for filing by the Commission by letter dated June 22, 2015.

4. During the 12 months ended May 31, 2015, West Shelby purchased 236,963,000 gallons of water from Louisville and 67,179,660 gallons from Shelbyville, and sold 278,592,600 gallons. The increase in the cost of purchased water is \$12,286.99, 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. West Shelby's proposed rates were incorrectly calculated and should be denied.

7. The rates set forth in Appendix B to this Order are fair, just and reasonable and should be approved for water service rendered by West Shelby on and after July 15, 2015.

IT IS THEREFORE ORDERED that:

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

2. West Shelby's proposed rates are denied.

3. The rates set forth in Appendix B to this Order are approved for water service rendered by West Shelby on and after July 15, 2015.

4. Within 20 days of the date of this Order, West Shelby shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

Case No. 2015-00202

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By the Commission

ENTERED JUL 2 0 2015 KENTUCKY PUBLIC SERVICE COMMISSION

ATTES Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00202 DATED JUL 2 0 2015

West Shelby Purchases in gallons	New Rate	Base Rate
Louisville Volumetric rate	236,963,000 <u>\$2.15/1,000</u> \$509,470.45	236,963,000 <u>\$ 2.10/1,000</u> \$497,622.30
Monthly Customer Charge	\$ 475.95 <u>x12</u> \$5,711.40	\$ 439.38 <u>x12</u> \$5,272.56
Total	\$515,181.85	\$502,894.86
Increased water cost	\$12,28	6.99
Division of the second se		286.99 <u>92,600</u> .04410 per 1,000 gallons .05 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00202 DATED JUL 2 0 2015

The following rates and charges are prescribed for the customers in the area served by West 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-Inch Meter

First	2,500	gallons
Next	7,500	gallons
Next	20,000	gallons
Next	200,000	gallons
Over	230,000	gallons
<u>3/4-Inch</u>	Meter	
First	3,500	gallons
Next	6,500	gallons
Next	20,000	gallons
Next	200,000	gallons

<u>1-Inch Meter</u>

Over

First	5,000	gallons
Next	5,000	gallons
Next	20,000	gallons
Next	200,000	
Over	230,000	

230,000 gallons

<u>1 1/2-Inch Meter</u>

First	10,000	gallons
Next	20,000	gallons
Next	200,000	
Over	230,000	gallons

2-Inch Meter

First	16,000	gallons
Next	14,000	gallons
Next	200,000	gallons
Over	230,000	gallons

\$17.72 Minimum Bill
5.26 per 1,000 gallons
4.94 per 1,000 gallons
4.53 per 1,000 gallons
4.12 per 1,000 gallons

\$22.97 Minimum Bill 5.26 per 1,000 gallons 4.94 per 1,000 gallons 4.53 per 1,000 gallons 4.12 per 1,000 gallons

\$30.86 Minimum Bill 5.26 per 1,000 gallons 4.94 per 1,000 gallons 4.53 per 1,000 gallons 4.12 per 1,000 gallons

\$57.15 Minimum Bill 4.94 per 1,000 gallons 4.53 per 1,000 gallons 4.12 per 1,000 gallons

\$86.77 Minimum Bill 4.94 per 1,000 gallons 4.53 per 1,000 gallons 4.12 per 1,000 gallons

3-Inch Meter

First	30,000	gallons
Next	200,000	
Over	230,000	gallons

4-Inch Meter

First	50,000	gallons
Next	180,000	gallons
Over	230,000	gallons

6-Inch Meter

First	100,000	gallons
Next	130,000	gallons
Over	230,000	gallons

\$155.90 Minimum Bill 4.53 per 1,000 gallons 4.12 per 1,000 gallons

\$246.45 Minimum Bill 4.53 per 1,000 gallons 4.12 per 1,000 gallons

\$472.82 Minimum Bill 4.53 per 1,000 gallons 4.12 per 1,000 gallons *Lisa M Didier West Shelby Water District 7101 Shelbyville Road P. O. Box 39 Simpsonville, KY 40067

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