

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF	)	CASE NO.
NORTH SHELBY WATER COMPANY	)	2016-00192

ORDER

On June 14, 2016, North Shelby Water Company ("North Shelby") submitted an application 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:

1. 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, 2016, Louisville Water's monthly service charge to North Shelby will increase from \$951.90 to \$997.50 per month, and its volumetric wholesale rate to North Shelby will increase from \$2.15 per 1,000 gallons to \$2.20 per 1,000 gallons.<sup>2</sup> North Shelby proposes to increase the water rates to its customers effective July 1, 2016, to reflect the increased cost of purchased water.

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

<sup>2</sup> TFS 2016-00198 (Ky. PSC Filed Mar. 31, 2016); The tariff was accepted for filing by the Commission by letter dated June 22, 2016.

3. During the 12 months ended April 30, 2016, North Shelby purchased a total of 437,908,400 gallons of water, 336,276,000 of which were purchased from Louisville Water, and sold 364,062,700 gallons during the same period. The increase in the cost of purchased water is \$17,361.00, resulting in a purchased water adjustment factor of \$0.05 per 1,000 gallons.

4. The purchased water adjustment factor of \$0.05 per 1,000 gallons, as requested by North Shelby and calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

5. The rates as set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service rendered by North Shelby on and after July 1, 2016.

IT IS THEREFORE ORDERED that:

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

2. North Shelby's proposed rates, as set forth in Appendix B to this Order, are approved for services rendered on and after July 1, 2016.

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

ENTERED  
JUN 29 2016  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Acting Executive Director

Case No. 2016-00192

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00192 DATED **JUN 29 2016**

	New Rate	Base Rate
North Shelby Water		
Monthly Service Charge	\$997.50/month	\$951.90/month
	<u>X 12</u>	<u>X 12</u>
	<u>\$11,970.00</u>	<u>\$11,422.80</u>
Purchases in gallons		
Louisville Water	336,276,000	336,276,000
Volumetric rate	\$ 2.20/1,000	\$ 2.15/1,000
	<u>\$739,807.20</u>	<u>\$722,993.40</u>
Total	<u>\$751,777.20</u>	<u>\$734,416.20</u>
Frankfort		
Purchases in gallons	81,575,000	81,575,000
Volumetric rate	\$2.55/1,000	\$2.55/1,000
	N/C	N/C
Shelbyville		
Purchases in gallons	20,057,400	20,057,400
Volumetric rate	\$1.894/1,000	\$1.894/1,000
	N/C	N/C
West Shelby		
Purchases in gallons	0	0
Volumetric rate	\$7.54/1,000	\$7.54/1,000
	N/C	N/C
	Increased water cost	\$17,361.00
Increased water cost	\$ 17,361.00	
Divided by gallons sold/1,000	<u>364,062,700</u>	
Purchased water adjustment factor	\$ 0.0476	
	or \$ 0.05 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00192 DATED **JUN 29 2016**

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- x 3/4-Inch Meter

First	2,000 Gallons	\$18.22	Minimum Bill
Next	3,000 Gallons	6.92	per 1,000 Gallons
Next	5,000 Gallons	5.54	per 1,000 Gallons
Next	40,000 Gallons	4.85	per 1,000 Gallons
Over	50,000 Gallons	4.17	per 1,000 Gallons

1-Inch Meter

First	5,000 Gallons	\$38.95	Minimum Bill
Next	5,000 Gallons	5.54	per 1,000 Gallons
Next	40,000 Gallons	4.85	per 1,000 Gallons
Over	50,000 Gallons	4.17	per 1,000 Gallons

1 1/2-Inch Meter

First	10,000 Gallons	\$66.65	Minimum Bill
Next	40,000 Gallons	4.85	per 1,000 Gallons
Over	50,000 Gallons	4.17	per 1,000 Gallons

2-Inch Meter

First	15,000 Gallons	\$90.90	Minimum Bill
Next	35,000 Gallons	4.85	per 1,000 Gallons
Over	50,000 Gallons	4.17	per 1,000 Gallons

3-Inch Meter

First	35,000 Gallons	\$187.90	Minimum Bill
Next	15,000 Gallons	4.85	per 1,000 Gallons
Over	50,000 Gallons	4.17	per 1,000 Gallons

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