

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
WEST SHELBY WATER DISTRICT)	2016-00195

ORDER

On June 6, 2016, 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 Louisville Water Company (“Louisville”) and from Shelbyville Municipal (“Shelbyville”).

2. Louisville notified West Shelby on March 18, 2016, that its wholesale rate to West Shelby would increase from \$2.15 per 1,000 gallons to \$2.20 per 1,000 gallons, and the monthly service charge would increase from \$475.95 per month to \$498.75 per month, effective July 1, 2016.² West Shelby proposes to increase the water rates to its customers effective July 1, 2016, to reflect the increased cost of purchased water.

3. 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 2016-00201 (Ky. PSC filed Mar. 31, 2016); the tariff was accepted for filing by the Commission by letter dated June 22, 2016.

4. During the 12 months ended April 30, 2016, West Shelby purchased 220,949,000 gallons of water from Louisville and 79,037,400 gallons from Shelbyville, and sold 266,911,800 gallons of water. The increase in the cost of purchased water is \$11,321.05, resulting in a purchased water adjustment factor of \$0.05 per 1,000 gallons. West Shelby's application contained a mathematical error in its calculation of the increased cost. This error did not affect the purchased water adjustment factor of \$0.05.

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, as 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 1, 2016.

IT IS THEREFORE ORDERED that:

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

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

3. 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.

By the Commission

ENTERED
JUN 30 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:

Jason D. Grunwell
Acting Executive Director

Case No. 2016-00195

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00195 DATED **JUN 30 2016**

	New Rate	Base Rate
West Shelby		
Purchases in gallons		
Louisville	220,949,000	220,949,000
Volumetric rate	<u>\$2.20/1,000</u>	<u>\$2.15/1,000</u>
	\$486,087.80	\$475,040.35
Monthly Service Charge	\$ 498.75	\$ 475.95
	<u> x12</u>	<u> x12</u>
	\$5,985.00	\$5,711.40
Shelbyville	79,037,400	79,037,400
Volumetric rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Total	\$492,072.80	\$480,751.75
Increased water cost		\$11,321.05
Increased water cost		\$ 11,321.05
Divided by gallons sold/1,000		<u>266,911,800</u>
Purchased water adjustment factor		\$ 0.0424 per 1,000 gallons
		or \$ 0.05 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00195 DATED **JUN 30 2016**

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- x 3/4-Inch Meter

First	2,500 gallons	\$ 17.85 Minimum Bill
Next	7,500 gallons	5.31 per 1,000 gallons
Next	20,000 gallons	4.99 per 1,000 gallons
Next	200,000 gallons	4.58 per 1,000 gallons
Over	230,000 gallons	4.17 per 1,000 gallons

3/4-Inch Meter

First	3,500 gallons	\$ 23.15 Minimum Bill
Next	6,500 gallons	5.31 per 1,000 gallons
Next	20,000 gallons	4.99 per 1,000 gallons
Next	200,000 gallons	4.58 per 1,000 gallons
Over	230,000 gallons	4.17 per 1,000 gallons

1-Inch Meter

First	5,000 gallons	\$ 31.11 Minimum Bill
Next	5,000 gallons	5.31 per 1,000 gallons
Next	20,000 gallons	4.99 per 1,000 gallons
Next	200,000 gallons	4.58 per 1,000 gallons
Over	230,000 gallons	4.17 per 1,000 gallons

1 1/2-Inch Meter

First	10,000 gallons	\$ 57.65 Minimum Bill
Next	20,000 gallons	4.99 per 1,000 gallons
Next	200,000 gallons	4.58 per 1,000 gallons
Over	230,000 gallons	4.17 per 1,000 gallons

2-Inch Meter

First	16,000 gallons	\$ 87.57 Minimum Bill
Next	14,000 gallons	4.99 per 1,000 gallons
Next	200,000 gallons	4.58 per 1,000 gallons
Over	230,000 gallons	4.17 per 1,000 gallons

3-Inch Meter

First	30,000 gallons	\$ 157.40 Minimum Bill
Next	200,000 gallons	4.58 per 1,000 gallons
Over	230,000 gallons	4.17 per 1,000 gallons

4-Inch Meter

First	50,000 gallons	\$ 248.95 Minimum Bill
Next	180,000 gallons	4.58 per 1,000 gallons
Over	230,000 gallons	4.17 per 1,000 gallons

6-Inch Meter

First	100,000 gallons	\$ 477.82 Minimum Bill
Next	130,000 gallons	4.58 per 1,000 gallons
Over	230,000 gallons	4.17 per 1,000 gallons

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