

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF ) CASE NO.  
NORTH SHELBY WATER COMPANY ) 2017-00396

ORDER

On September 29, 2017, 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 otherwise sufficiently advised, finds that:

1. North Shelby purchases water from the Frankfort Electric and Water Plant Board (“Frankfort”), the Louisville Water Company (“Louisville”), the Shelbyville Municipal Water and Sewer Commission (“Shelbyville”), and the West Shelby Water District (“West Shelby”).

2. Frankfort, pursuant to a previous Commission Order, will increase its rate to North Shelby effective November 1, 2017, from \$2.45 per 1,000 gallons to \$2.55 per 1,000 gallons.<sup>2</sup> North Shelby proposed to increase the water rates to its customers effective November 1, 2017, to reflect the increased cost of purchased water.

3. North Shelby, in its application, proposed a purchased water adjustment factor of \$0.02 per 1,000 gallons.

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<sup>1</sup> KRS 278.012; 807 KAR 5:068.

<sup>2</sup> Case No. 2014-00254, *Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board* (Ky. PSC filed Dec. 3, 2014).

4. During the 12 months ended August 31, 2017, North Shelby purchased 62,000,000 gallons of water from Frankfort, 263,163,000 gallons of water from Louisville and 109,083,400 gallons of water from Shelbyville. During the same period, North Shelby sold 364,446,000 gallons of water. The increase in the cost of purchased water is \$6,200.00, resulting in a purchased water adjustment factor of \$0.02 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.02 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 by North Shelby on and after November 1, 2017.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.02 per 1,000 gallons is approved.

2. The rates as set forth in Appendix B to this Order are approved for water service rendered by North Shelby on and after November 1, 2017.

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  
OCT 20 2017  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

Case No. 2017-00369

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2017-00396 DATED **OCT 20 2017**

	New Rate	Base Rate
North Shelby Frankfort		
Purchases in gallons	62,000,000	62,000,000
	<u>\$ 2.55/1,000</u>	<u>\$ 2.45/1,000</u>
Total	\$158,100.00	\$ 151,900.00
 Louisville		
Purchases in gallons	263,163,000	263,163,000
	<u>NO CHANGE</u>	<u>NO CHANGE</u>
 Shelbyville		
Purchases in gallons	109,083,400	109,083,400
	<u>NO CHANGE</u>	<u>NO CHANGE</u>
 Increased water cost		\$ 6,200.00
 Increased water cost		\$ 6,200.00
Divided by gallons sold/1,000		<u>364,446,000</u>
Purchased water adjustment factor		\$ 0.017 per 1,000 gallons or \$ 0.02 per 1,000 gallons

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2017-00396 DATED **OCT 20 2017**

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	\$ 22.28 Minimum Bill
Next	3,000 gallons	7.44 per 1,000 gallons
Next	5,000 gallons	6.06 per 1,000 gallons
Next	40,000 gallons	5.37 per 1,000 gallons
Over	50,000 gallons	4.69 per 1,000 gallons

##### 1-Inch Meter

First	5,000 gallons	\$ 44.60 Minimum Bill
Next	5,000 gallons	6.06 per 1,000 gallons
Next	40,000 gallons	5.37 per 1,000 gallons
Over	50,000 gallons	4.69 per 1,000 gallons

##### 1 1/2-Inch Meter

First	10,000 gallons	\$ 74.90 Minimum Bill
Next	40,000 gallons	5.37 per 1,000 gallons
Over	50,000 gallons	4.69 per 1,000 gallons

##### 2-Inch Meter

First	15,000 gallons	\$ 101.75 Minimum Bill
Next	35,000 gallons	5.37 per 1,000 gallons
Over	50,000 gallons	4.69 per 1,000 gallons

##### 3-Inch Meter

First	35,000 gallons	\$ 209.15 Minimum Bill
Next	15,000 gallons	5.37 per 1,000 gallons
Over	50,000 gallons	4.69 per 1,000 gallons

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