



North Shelby Water Company

PO Box 97
Bagdad, KY 40003
(502) 747-8942

June 27, 2008

RECEIVED

JUL 1 2008

**PUBLIC SERVICE
COMMISSION**

Public Service Commission
P.O. Box 615
Frankfort, KY 40602

To the COMMISSION:

2008-245

The North Shelby Water Company respectfully requests that the COMMISSION allow us to make an adjustment in our rates in accordance with 807 KAR 5:067 Purchased Water Adjustment clause.

The Company has been told by its supplier, Shelbyville Municipal, that a 0.01 per 1,000 gallon increase will take effect July 29, 2008. The Company purchased 62,079,100 gallons from June 1, 2007 to May 31, 2008 from Shelbyville Municipal, out of a total purchase of 494,247,200 gallons. The result of the new rate is an increase of \$2,483.16 or \$0.01 per 1,000 gallons. We propose to raise each gallonage block that amount.

The following documents are enclosed:

- Exhibit A. Purchased Water Rate Adjustment
- Exhibit B. Copy of Wholesale Tariff
- Exhibit C. Statement of Water Bought and Sold
- Exhibit D. Notice to Customers
- Exhibit E. Tariff Sheet

If you have any questions, please contact Warner Broughman at 859-271-1778, as he is handling this matter.

Yours truly,

Darrell Dees, Manager

DD:pac

PURCHASED WATER RATE ADJUSTMENT

Pursuant to KRS 278.012 and 278.015

North Shelby Water Company

(Name of Utility)

P.O. Box 97

Bagdad, KY 40003

(Business Mailing Address)

June 27, 2008

(Date)

(502) 747-8942

(Telephone Number)

1. (a) Names of all wholesale suppliers and the base rate and changed rate of each.

<u>Supplier(s)</u>	<u>Base Rate</u>	<u>Changed Rate</u>
(1) <u>Shelbyville</u>	<u>\$1.61 per 1,000 gallons</u>	<u>\$ 1.65</u>
(2) <u>Frankfort</u>	<u>\$1.539</u>	<u>\$ no change</u>
(3) <u>Louisville Water Co.</u>	<u>\$1.71</u>	<u>\$ no change</u>
(4) <u>West Shelby W.D.</u>	<u>\$3.49</u>	<u>\$ no change</u>

(b) A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit B.

2. Twelve-month Period Upon Which Purchased Water Adjustment is Based

From June 2007 through May 2008

Month & Year

Month & Year

3. Statement of Water Purchases

<u>Supplier's Name</u>	<u>Gallons Purchased</u>
	<u>Meter No. 1</u>
(1) <u>Shelbyville</u>	<u>62,079,100</u>
(2) <u>Frankfort</u>	<u>173,474,000</u>
(3) <u>Louisville Co.</u>	<u>258,694,100</u>
(4) <u>West Shelby W.D.</u>	<u>0</u>
	<u>494,247,200</u>

4. Total Sales for the 12-Months 459,367,400 gallons

5. Purchased Water Adjustment Factor 0.01 per 1,000 gallons.

Unit Price Calculation

Increase \$2,483.16 = .005 Say \$0.10/1,000 gallons
Water Sold 459,367.4

NOTE: Revised tariff sheets must be attached showing rates to be charged by the utility and the effective date of such increased rates.



Signature of Utility Officer

Title

EXHIBIT A

Shelbyville Municipal Water & Sewer Commission

P.O. Box 608

Shelbyville, Ky. 40066

Office: 1059 Washington St., Shelbyville, Ky., 40065

Phone: 502-633-2840 FAX: 502-633-1939

June 19, 2008

CERTIFIED MAIL

Mr. Duncan LeCompte, Chairman
North Shelby Water Company
P.O. Box 97
Bagdad, Ky. 40003

RE: Rate Increase

Dear Mr. Le Compte:

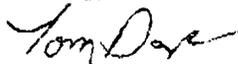
The Commission has approved and recommended a modified water and Sewer rate increase to the City Council. It is anticipated that the Council shall have the first reading on July 3.

The rate increase is planned for September 1, 2008, for water used from mid-July to mid-August (for the Water Districts that should be July 19-August 19) .

The increase is approximately 2-1/2% +/- due to rounding the rates to two decimals, and is across the board to all of our water users.... and our sewer users as well.

Enclosed is a new copy of the amended Rate Ordinance as submitted to the City Council, a copy of the PSC "Form for Filing Rate Schedules", and the formal "NOTICE" that the PSC required of us for the first time last year.

Sincerely,



Thomas G. Doyle
Manager

ratincwtdistr.wks

EXHIBIT B-1

NOTICE

The Shelbyville Municipal Water & Sewer Commission ("SMW&SC") has filed a proposed rate schedule which will increase the rate for water service as follows:

	Current rate	Proposed Rate	% Increase
North Shelby Water Company	\$1.61 per 1,000 gal.	\$1.65 per 1,000 gal.	2.48%
West Shelby Water District	\$1.73 per 1,000 gal.	\$1.77 per 1,000 gal.	2.31%
U.S. 60 Water District of Shelby and Franklin Counties, Kentucky	\$1.84 per 1,000 gal.	\$1.89 per 1,000 gal.	2.72%

The proposed effective date is with the September 1, 2008 billing, which will be for water purchased between July 19, 2008 and August 19, 2008, and thereafter, until the next rate change occurs.

The rates contained in this notice are the rates proposed by the "SMW&SC". However, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any corporation, association, or person with substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Any person who has been granted intervention by the Public Service Commission may obtain copies of the rate application and any other SMW&SC filings by contacting Thomas G. Doyle at the utility's office located at 1059 Washington Street in Shelbyville, Kentucky; telephone 502-633-1939.

Any person may examine the rate application and other SMW&SC filings by visiting the utility's office located at 1059 Washington Street in Shelbyville, Kentucky, or By contacting the Public Service Commission at 211 Sower Boulevard in Frankfort, Kentucky; telephone 502-564-3940.

STATEMENT OF WATER BOUGHT AND SOLD
NORTH SHELBY WATER COMPANY

JUNE 2007 – MAY 2008

WATER BOUGHT

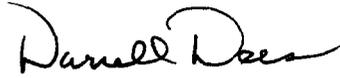
Frankfort Plant Board
173,477,000 gal.

Shelbyville Municipal Utilities
62,079,100 gal.

Louisville Water Company
258,694,100 gal.

WATER SOLD

459,367,400 gallons



Darrell Dees, Manager

EXHIBIT C

NOTICE

North Shelby Water Company has filed an application with the Public Service Commission for a proposed rate change for water service. The change is made necessary due to an increase in the wholesale price of water from our supplier.

The rates contained in this notice are the rates proposed by North Shelby Water Company. However, the Public Service Commission may order rates to be changes that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this notice.

5/8 x 3/4 Meters

First 2,000 gallons per month (minimum bill)	\$11.76
Next 3,000 gallons per month per 1,000 gallons	\$ 4.76
Next 5,000 gallons per month per 1,000 gallons	\$ 3.64
Next 40,000 gallons per month per 1,000 gallons	\$ 3.08
Over 50,000 gallons per month per 1,000 gallons	\$ 2.52

1-inch Meters

First 5,000 gallons per month (minimum bill)	\$26.04
Next 5,000 gallons per month per 1,000 gallons	\$ 3.64
Next 40,000 gallons per month per 1,000 gallons	\$ 3.08
Over 50,000 gallons per month per 1,000 gallons	\$ 2.52

1-1/2 Inch Meter

First 10,000 gallons per month (minimum bill)	\$44.24
Next 40,000 gallons per month per 1,000 gallons	\$ 3.08
Over 50,000 gallons per month per 1,000 gallons	\$ 2.52

2 Inch Meter

First 15,000 gallons per month (minimum bill)	\$59.64
Next 35,000 gallons per month per 1,000 gallons	\$ 3.08
Over 50,000 gallons per month per 1,000 gallons	\$ 2.52

3 Inch Meter

First 35,000 gallons per month (minimum bill)	\$122.24
Next 15,000 gallons per month per 1,000 gallons	\$ 3.08
Over 50,000 gallons per month per 1,000 gallons	\$ 2.52

Any corporation, association, body politic or person may by motion within 30 days after publication of the proposed rate changes, request leave to intervene. All persons having reasons to intervene should file with the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602. The application is on file at the offices for the North Shelby Water Company, 4596 Bagdad Road, Bagdad, KY and is available for examination during business hours.

EXHIBIT D

For Entire Service Area
Community, Town or City

North Shelby Water Company
P.O. Box 97
Bagdad, KY 40003

P.S.C. KY No.

Cancelling P.S.C. KY No. 2007-00372
(Sheet No.)

CLASSIFICATION OF SERVICE	RATE PER UNIT
Rates: <u>5/8 x 3/4 Inch Meter</u>	
First 2,000 gallons per month (minimum bill)	\$11.76
Next 3,000 gallons per month per 1,000 gallons	4.76
Next 5,000 gallons per month per 1,000 gallons	3.64
Next 40,000 gallons per month per 1,000 gallons	3.09
Over 50,000 gallons per month per 1,000 gallons	2.52
 <u>1 Inch Meter</u>	
First 20,000 gallons per month (minimum bill)	\$26.04
Next 5,000 gallons per month per 1,000 gallons	3.64
Next 40,000 gallons per month per 1,000 gallons	3.08
Over 50,000 gallons per month per 1,000 gallons	2.52
 <u>1-1/2 Inch Meter</u>	
First 10,000 gallons per month (minimum bill)	\$44.24
Next 40,000 gallons per month per 1,000 gallons	3.08
Over 50,000 gallons per month per 1,000 gallons	2.52
 <u>2 Inch Meter</u>	
First 15,000 gallons per month (minimum bill)	\$59.64
Next 40,000 gallons per month per 1,000 gallons	3.08
Over 50,000 gallons per month per 1,000 gallons	2.52
 <u>3 Inch Meter</u>	
First 35,000 gallons per month (minimum bill)	\$122.24
Next 15,000 gallons per month per 1,000 gallons	3.08
Over 50,000 gallons per month per 1,000 gallons	2.52

Date of Issue June 27, 2008 Date Effective July 31, 2008

Issued by Danell Doo Title: Manager

Issued by the authority of an Order of the Public Service Commission of
Kentucky in Case No. _____ Dated _____

EXHIBIT E