



# North Shelby Water Company

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

December 24, 2008

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

2008-00556

RECEIVED  
DEC 29 2008  
PUBLIC SERVICE  
COMMISSION

To the COMMISSION:

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 suppliers, Frankfort Electric and Water Plant Board that a \$0.283 increase will take effect on December 6, 2008. The Company purchased 178,419,000 gallons from Frankfort between December 2007 and November 2008. The result of these increases is an increase to our rates of \$0.13 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 Purchases and Sales
- Exhibit D. Notice to Customers
- Exhibit E. Tariff Sheet

The Company requests the COMMISSION to grant a deviation from the regulations and allow two purchase water adjustments in that we received two adjustments within 8 days of each other.

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)

December 6, 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>\$ no change</u>
(2) <u>Frankfort</u>	<u>\$1.59</u>	<u>\$ 1.873</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 December 2007 through November 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>3,946,460</u>
(2) <u>Frankfort</u>	<u>178,419,000</u>
(3) <u>Louisville Co.</u>	<u>295,382,000</u>
(4) <u>West Shelby W.D.</u>	<u>389,400</u>
	<u>478,136,860</u>

4. Total Sales for the 12-Months                      382,534,400 gallons

5. Purchased Water Adjustment Factor 0.13 per 1,000 gallons.

### Unit Price Calculation

Increase                      \$50,492.58                      =                      .1319    Say \$0.13/1,000 gallons  
Water Sold                      382,534.4

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  
Manager  
\_\_\_\_\_  
Title

EXHIBIT A

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION **RECEIVED**

DEC 08 2008

In the Matter of:

THE PROPOSED ADJUSTMENT OF THE )  
WHOLESALE WATER SERVICE RATES OF )  
THE FRANKFORT ELECTRIC AND WATER )  
PLANT BOARD )

PUBLIC SERVICE  
COMMISSION

CASE NO. 2008-00250

NOTICE OF RATE INCREASE

Comes the Electric and Water Plant Board of the City of Frankfort ("FPB"), by and through counsel, and for its Notice of Rate Increase hereby states as follows:

Pursuant to KRS 278.190 FPB gives notice that it will adjust its existing rates for wholesale water service from \$1.539 per 1,000 gallons to \$1.822 per 1,000 gallons effective December 8, 2008.

In support of this increase, FPB notes that on June 6, 2008 it filed its proposed tariff increasing wholesale water rates. Thereafter, on July 2, 2008, the Commission entered an Order suspending the proposed rate for five months from July 7, 2008 to December 6, 2008.

KRS 278.190 notes "[i]f the proceeding has not been concluded and an order made at the expiration of five (5) months . . . the utility may place the proposed change of rate . . . in effect at the end of that period after notifying the commission, in writing, of its intention so to do."

**WHEREFORE**, pursuant to KRS 278.190 and the Commission's July 2, 2008 Order, FPB will adjust its wholesale rate from \$1.539 to \$1.822 per 1,000 gallons effective December 8, 2008.

Respectfully Submitted,

*Hance Price*

Hance Price  
Staff Attorney  
Frankfort Plant Board  
317 W. Second Street  
Frankfort, KY 40601  
(502) 352-4541  
[hprice@fewpb.com](mailto:hprice@fewpb.com)

EXHIBIT B.

NORTH SHELBY WATER COMPANY  
STATEMENT OF PURCHASED WATER  
DECEMBER 2007 - NOVEMBER 2008

	Louisville Water:		Frankfort Plant Board:		Shelbyville (Municipal):		West Shelby Water District:		Total Gallons Purchased:
	Gallons:	Cost:	Gallons:	Cost:	Gallons:	Cost:	Gallons:	Cost:	
Dec '07	17,961,000	\$ 31,278.31	13,421,000	\$ 21,325.97	186,210	\$ 2,997.98	4,800	\$ 147.06	31,573,010
Jan '08	20,192,000	\$ 35,149.82	16,463,000	\$ 26,159.71	216,760	\$ 3,489.84	-	\$ 147.06	36,871,760
Feb	21,099,000	\$ 36,625.46	12,909,000	\$ 20,512.40	126,710	\$ 2,040.54	900	\$ 147.06	34,135,610
Mar	20,763,000	\$ 36,050.90	14,981,000	\$ 23,804.81	210,500	\$ 3,389.05	400	\$ 147.06	35,954,900
Apr	24,703,000	\$ 42,844.80	13,154,000	\$ 20,901.71	237,610	\$ 3,825.52	3,000	\$ 147.06	38,097,610
May	19,112,000	\$ 33,227.69	12,340,000	\$ 19,608.26	246,000	\$ 3,960.60	3,700	\$ 147.06	31,701,700
Jun	28,997,000	\$ 51,057.80	13,946,000	\$ 22,160.19	363,270	\$ 5,848.65	45,100	\$ 208.57	43,351,370
Jul	24,784,000	\$ 42,802.52	19,646,000	\$ 31,217.49	409,350	\$ 6,590.54	19,300	\$ 147.06	44,858,650
Aug	42,338,000	\$ 72,793.50	14,984,000	\$ 23,809.58	535,440	\$ 8,620.59	28,700	\$ 147.06	57,886,140
Sept	29,214,000	\$ 50,351.46	17,182,000	\$ 27,302.20	615,010	\$ 9,901.66	108,900	\$ 468.39	47,119,910
Oct	26,975,000	\$ 46,331.61	15,391,000	\$ 25,171.98	499,790	\$ 8,046.62	160,800	\$ 679.75	43,026,590
Nov	19,244,000	\$ 33,289.56	14,002,000	\$ 21,533.50	299,810	\$ 4,826.95	13,800	\$ 147.06	33,559,610
TOTALS:	295,382,000	511,803	178,419,000	283,508	3,946,460	63,539	389,400	2,680	478,136,860

EXHIBIT C-1

NORTH SHELBY WATER COMPANY  
STATEMENT OF WATER SOLD  
DECEMBER 2007-NOVEMBER 2008

<u>DATE:</u>	<u>GALLONS SOLD:</u>	<u>NUMBER OF CUSTOMERS:</u>
DEC '07	29,344,600	4773
JAN '08	42,176,600	4767
FEB	29,573,300	4766
MAR	29,748,000	4752
APR	28,304,500	4756
MAY	29,379,800	4765
JUN	33,763,500	4777
JUL		4776
AUG	42,630,100	4789
SEP	43,529,200	4805
OCT	42,260,500	4811
NOV	31,824,300	4811
TOTAL:	382,534,400	57348

## 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)	\$12.10
Next 3,000 gallons per month per 1,000 gallons	\$ 4.93
Next 5,000 gallons per month per 1,000 gallons	\$ 3.81
Next 40,000 gallons per month per 1,000 gallons	\$ 3.25
Over 50,000 gallons per month per 1,000 gallons	\$ 2.69

### 1-inch Meters

First 5,000 gallons per month (minimum bill)	\$26.89
Next 5,000 gallons per month per 1,000 gallons	\$ 3.81
Next 40,000 gallons per month per 1,000 gallons	\$ 3.25
Over 50,000 gallons per month per 1,000 gallons	\$ 2.69

### 1-1/2 Inch Meter

First 10,000 gallons per month (minimum bill)	\$45.94
Next 40,000 gallons per month per 1,000 gallons	\$ 3.25
Over 50,000 gallons per month per 1,000 gallons	\$ 2.69

### 2 Inch Meter

First 15,000 gallons per month (minimum bill)	\$62.19
Next 35,000 gallons per month per 1,000 gallons	\$ 3.25
Over 50,000 gallons per month per 1,000 gallons	\$ 2.69

### 3 Inch Meter

First 35,000 gallons per month (minimum bill)	\$126.44
Next 15,000 gallons per month per 1,000 gallons	\$ 3.25
Over 50,000 gallons per month per 1,000 gallons	\$ 2.69

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

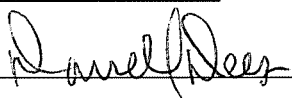
North Shelby Water Company  
P.O. Box 97  
Bagdad, KY 40003

P.S.C. KY No.

Cancelling P.S.C. KY No. 2008-  
(Sheet No )

CLASSIFICATION OF SERVICE	RATE PER UNIT
<b>Rates: <u>5/8 x 3/4 Inch Meter</u></b>	
First 2,000 gallons per month (minimum bill)	\$12.10
Next 3,000 gallons per month per 1,000 gallons	4.93
Next 5,000 gallons per month per 1,000 gallons	3.81
Next 40,000 gallons per month per 1,000 gallons	3.25
Over 50,000 gallons per month per 1,000 gallons	2.69
 <b><u>1 Inch Meter</u></b>	
First 20,000 gallons per month (minimum bill)	\$26.89
Next 5,000 gallons per month per 1,000 gallons	3.81
Next 40,000 gallons per month per 1,000 gallons	3.25
Over 50,000 gallons per month per 1,000 gallons	2.69
 <b><u>1-1/2 Inch Meter</u></b>	
First 10,000 gallons per month (minimum bill)	\$45.94
Next 40,000 gallons per month per 1,000 gallons	3.25
Over 50,000 gallons per month per 1,000 gallons	2.69
 <b><u>2 Inch Meter</u></b>	
First 15,000 gallons per month (minimum bill)	\$62.19
Next 40,000 gallons per month per 1,000 gallons	3.25
Over 50,000 gallons per month per 1,000 gallons	2.69
 <b><u>3 Inch Meter</u></b>	
First 35,000 gallons per month (minimum bill)	\$126.44
Next 15,000 gallons per month per 1,000 gallons	3.25
Over 50,000 gallons per month per 1,000 gallons	2.69

Date of Issue December 10, 2008 Date Effective December 6, 2008

Issued by  Title: Manager

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

**EXHIBIT E**