

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF NORTH NELSON) CASE NO. 2012-00209
WATER DISTRICT)

ORDER

On May 25, 2012, North Nelson Water District (“North Nelson”) 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. North Nelson purchases water from the city of Bardstown (“Bardstown”) and Louisville Water Company (“Louisville Water”).

2. Louisville Water notified North Nelson that, effective July 1, 2012, its monthly service charge to North Nelson will increase from \$206.70 to \$774.00 per month, and its volumetric wholesale rate to North Nelson will increase from \$1.87 per 1,000 gallons to \$1.99 per 1,000 gallons.

3. North Nelson proposes a purchased water adjustment factor of \$0.10 per 1,000 gallons.

4. During the 12 months ending April 30, 2012, North Nelson purchased 151,244,000 gallons of water from Bardstown and 151,660,000 gallons from Louisville Water, for a total purchase of 302,904,000 gallons of water. It sold 260,658,700 gallons

¹ KRS 278.015; 807 KAR 5:068.

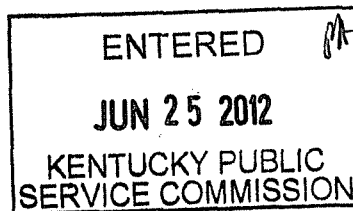
of water. The increase in the cost of purchased water is \$25,006.80, resulting in a purchased water adjustment factor of \$0.10 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.10 per 1,000 gallons is fair, just, and reasonable and should be approved.


IT IS THEREFORE ORDERED that:

1. North Nelson's proposed rates are approved.
2. The purchased water adjustment factor of \$0.10 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are approved for service rendered on or after July 1, 2012.
4. The tariff sheet filed by North Nelson is approved as filed.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00209 DATED JUN 25 2012

	New Rate	Base Rate
North Nelson Water		
Monthly Service Charge	\$774.00/month	\$206.70/month
	<u> X 12</u>	<u> X 12</u>
	\$ 9,288.00	\$ 2,480.40
Purchases (Louisville Water)	151,660,000	151,660,000
Volumetric rate	<u>\$ 1.99/1,000</u>	<u>\$ 1.87/1,000</u>
	<u>\$ 301,803.40</u>	<u>\$ 283,604.20</u>
Total	\$ 311,091.40	\$ 286,084.60
Purchases (Bardstown)	No change	No change
		Increased water cost \$25,006.80
Increased water cost	\$ 25,006.80	
Divided by gallons sold / 1,000	<u>260,658,700</u>	
Purchased water adjustment factor	\$0.10 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00209 DATED JUN 25 2012

The following rates and charges are prescribed for the customers in the area served by North Nelson 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

First	2,000 Gallons	\$14.11 Minimum Bill
Next	3,000 Gallons	3.88 per 1,000 Gallons
Next	5,000 Gallons	3.36 per 1,000 Gallons
Over	10,000 Gallons	3.01 per 1,000 Gallons
Truck Loading Stations		6.69 per 1,000 Gallons

Steven R Allgeier
General Manager
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