Steven L. Beshear Governor

Leonard K. Peters Secretary Energy and Environment Cabinet



Commonwealth of Kentucky

Public Service Commission
211 Sower Blvd.
P.O. Box 615

Frankfort, Kentucky 40602-0615

Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong Chairman

James W. Gardner Vice Chairman

> Linda Breathitt Commissioner

November 19, 2014

Jerry Ruble President North Shelby Water Company 4596 Bagdad Road P.O. Box 97 Bagdad, Kentucky 40003

RE: Case No: 2014-0394

North Shelby Water Company

The Commission staff has reviewed the response submitted November 18, 2014 and has determined that the application in the above case meets the minimum filing requirements. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502/782-2629.

Sincerely,

Linda Faulkner

Filings Division Director

LF/tw



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November 19, 2014

David Hedges
Manager
North Shelby Water Company
4596 Bagdad Road
P.O. Box 97
Bagdad, Kentucky 40003

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North Shelby Water Company PO Box 97

Bagdad, KY 40003

Toll Free 1-800-870-4148 (502) 747-8942 Fax: (502) 747-5048

Jerry Ruble, President

Lloyd Eades, Vice President

Tom Miginnis, Secretary/Treasurer

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PUBLIC SERVICE
COMMISSION

Kevin Armstrong, Director James Anglin, Director Herb McCoun, Director Bryan Franklin, Director Jim Smith, Director

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PUBLIC SERVICE COMMISSION

November 12, 2014

Jeff R. Derouen Executive Director KY Public Service Commission PO Box 615 Frankfort, KY 40602

RE:

Formal Application to Increase Rates Pursuant to

Purchased Water Adjustment Regulation 807 KAR 5:068

Dear Mr. Derouen

The North Shelby Water Company respectfully requests that the Commission allow for an adjustment to our rates in accordance with 807 KAR 5:068 Purchased Water Adjustment clause.

In accordance with the terms of a 2014 Joint Settlement Stipulation and Recommendation agreement between the Frankfort Electric & Water Plant Board and the North Shelby Water Company, effective November 12, 2014 the Frankfort Electric & Water Plant Board will implement a \$0.24 per 1000 gallon increase to our wholesale water purchase rates. In addition, on June 28, 2013 the Frankfort Electric & Water Plant Board implemented a \$0.0921 per 1000 gallon increase in the Kentucky River Authority Withdrawal Fee. The combined result of these increases is \$53,403.34 in additional yearly supply cost for the Company. This translates into \$0.15 per 1000 gallons of water sold to our customers. Therefore, we propose to increase our rates by that amount.

The following supporting documentation is enclosed for your review:

Exhibit A - Purchase Water Rate Adjustment

Exhibit B – 2014 Joint Settlement Stipulation and Recommendation

Exhibit C - PSC approved Wholesale Tariffs in regards to the KRA Fee

Exhibit D - Statement of Water Purchased

Exhibit E - Statement of Water Sold

Exhibit F - Notice to Customers

Exhibit G - Revised Tariff Sheet

The Notice to Customers will be published in accordance with Commission regulations and verification of its publication will be provided to the Commission.

Should you have any questions please contact Lee Mudd at (502) 839-1310, as he is handling this matter.

Sincerely,

Jerry Ruble, President

erry Lubes

JR/jlm