

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
NORTH SHELBY WATER COMPANY) CASE NO. 94-096

O R D E R

On February 14, 1994, North Shelby Water Company ("North Shelby") filed an amendment to Case No. 94-042¹ for the purpose of including an increase from Frankfort Electric and Water Plant Board ("Frankfort") to its purchased water adjustment application.

On March 11, 1994, the Public Service Commission ("Commission") issued an Order separating the increase sought in the amendment from the increase sought in the original application and established this case. The information filed in Case No. 94-042 was incorporated into this case.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. North Shelby purchases water from three suppliers, Louisville Water Company ("Louisville"), Shelbyville Municipal Water ("Shelbyville"), and Frankfort.

2. Shelbyville is not increasing its rates at this time. Louisville increased its rates and the Commission approved North

¹ Case No. 94-042, In the Matter of Purchased Water Adjustment of North Shelby Water Company, Order dated March 4, 1994.

Shelby's passthrough by Order dated March 4, 1994 in Case No. 94-042.

3. Pursuant to notice, the Kentucky River Authority imposed a withdrawal fee of \$0.044 cents effective January 1, 1994. Frankfort increased its rate to North Shelby effective the same date.

4. Frankfort increased its rates for water sold from \$1.35 per 1,000 gallons to \$1.40 per 1,000 gallons. North Shelby proposes to increase the water rates to its customers effective February 21, 1994.

5. Kentucky River Authority has postponed the effective date for its withdrawal fee until April 1, 1994; therefore, North Shelby's increase should not go into effect until April 1, 1994.

6. During the 12 months ending December 31, 1993, North Shelby purchased 121,278,000 gallons of water from Frankfort and sold 250,252,065 gallons. The increase in the cost of purchased water is \$6,064, resulting in a purchased water adjustment of \$0.02 per 1,000 gallons of water. Based on an average monthly usage of 5,000 gallons, the average bill of North Shelby's customers would increase \$0.10 from \$23.04 to \$23.14 or 0.4 percent.

7. The purchased water adjustment of \$0.02 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by North Shelby are denied.

2. The purchased water adjustment of \$0.02 per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after April 1, 1994.

3. Within 20 days of the date of this Order, North Shelby shall file revised tariff sheets setting out the rates approved herein.

4. Within 20 days of the effective date of the Kentucky River Authority withdrawal fee, North Shelby shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 16th day of March, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 94-096 DATED MARCH 16, 1994

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 this Commission prior to the effective date of this Order.

RATES:

5/8 x 3/4 Inch Meter

First	2,000 gallons	\$ 10.60 (Minimum Bill)
Next	3,000 gallons	4.18 per 1,000 gallons
Next	5,000 gallons	3.06 per 1,000 gallons
Next	40,000 gallons	2.50 per 1,000 gallons
Over	50,000 gallons	1.94 per 1,000 gallons

1 Inch Meter

First	5,000 gallons	\$ 23.14 (Minimum Bill)
Next	5,000 gallons	3.06 per 1,000 gallons
Next	40,000 gallons	2.50 per 1,000 gallons
Over	50,000 gallons	1.94 per 1,000 gallons

1-1/2 Inch Meter

First	10,000 gallons	\$ 38.44 (Minimum Bill)
Next	40,000 gallons	2.50 per 1,000 gallons
Over	50,000 gallons	1.94 per 1,000 gallons

2 Inch Meter

First	15,000 gallons	\$ 50.94 (Minimum Bill)
Next	35,000 gallons	2.50 per 1,000 gallons
Over	50,000 gallons	1.94 per 1,000 gallons

3 Inch Meter

First	35,000 gallons	\$100.94 (Minimum Bill)
Next	15,000 gallons	2.50 per 1,000 gallons
Over	50,000 gallons	1.94 per 1,000 gallons