

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF NORTH SHELBY WATER) CASE NO. 2013-00091
COMPANY)

ORDER

On March 7, 2013, North Shelby Water Company ("North Shelby") 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 Shelby purchases water from Louisville Water Company ("Louisville"), Shelbyville Municipal Water and Sewer Commission ("Shelbyville"), Frankfort Electric and Water Plant Board ("Frankfort"), and West Shelby Water District ("West Shelby").

2. On September 24, 2012, Frankfort adjusted the Kentucky River Authority ("KRA) Fee component of its wholesale water rate to North Shelby from \$0.0965 per 1,000 gallons to \$0.1079 per 1,000 gallons.²

¹ KRS 278.012; 807 KAR 5:068.

² TFS2012-00666 (filed Aug. 24, 2013).

3. Pursuant to the Commission's Order of March 16, 2011 in Case No. 2010-00485,³ Frankfort increased its rate from \$1.91 per 1,000 gallons to \$2.01 per 1,000 gallons on April 1, 2013.

4. North Shelby proposes a purchased water adjustment factor of \$0.05 per 1,000 gallons.

5. During the 12 months ending January 31, 2013, North Shelby purchased 263,146,000 gallons of water from Louisville; 2,994,682 gallons of water from Shelbyville; 157,155,000 gallons of water from Frankfort; no water from West Shelby; and sold 368,437,400 gallons. As a result of the increase in Frankfort's wholesale rate, North Shelby's cost of purchased water will increase \$17,507.07, resulting in a purchased water adjustment factor of \$0.05 per 1,000 gallons.

6. The purchased water adjustment factor of \$0.05 per 1,000 gallons, as calculated in Appendix A of this Order, is fair, just, and reasonable and should be approved.

7. The rates set forth in Appendix B are fair, just, and reasonable and should be assessed for water service that North Shelby renders on and after April 1, 2012.

IT IS THEREFORE ORDERED that:

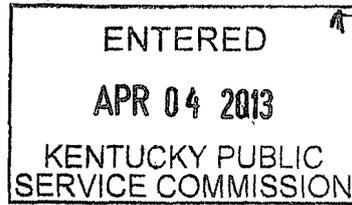
1. The purchased water adjustment factor of \$0.05 per 1,000 gallons is approved.

2. North Shelby's proposed rates, as set forth in Appendix B, are approved for service rendered on and after April 1, 2013.

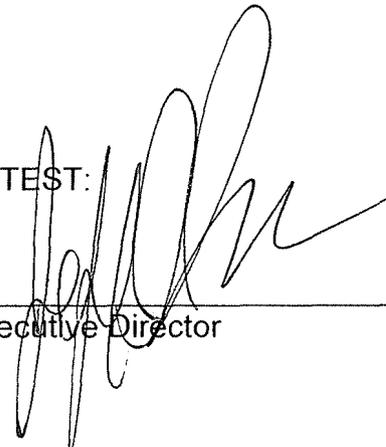
³ Case No. 2010-00485, Proposed Adjustment of the Wholesale Water Service Rates of the Frankfort Electric and Water Plant Board, (Ky. PSC Mar. 16, 2011).

3. North Shelby's proposed tariff sheet filed with the application is approved.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00091 DATED APR 04 2013

	New Rate	Base Rate
Louisville		
Purchases in gallons	263,146,000	263,146,000
Volumetric rate	<u>No Change</u>	<u>No Change</u>
Shelbyville		
Purchases in gallons	2,994,682	2,994,682
Volumetric rate	<u>No Change</u>	<u>No Change</u>
West Shelby		
Purchases in gallons	0	0
Volumetric rate	<u>No Change</u>	<u>No Change</u>
Frankfort		
Purchases in gallons	157,155,000	157,155,000
Volumetric rate	<u>\$2.01</u>	<u>\$1.91</u>
	\$315,881.55	\$300,166.05
Frankfort-KRA Fee		
Purchases in gallons	157,155,000	157,155,000
Volumetric rate	<u>\$0.1079</u>	<u>\$0.0965</u>
	\$16,957.02	\$15,165.46
	Increased water cost	\$17,507.07
Increased water cost	\$17,507.07	
Divided by gallons sold/1,000	<u>368,437,400</u>	
Purchased water adjustment factor	\$0.0475 per 1,000 gallons	
	or \$0.05	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00091 DATED APR 04 2013

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 the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8-Inch Meter

First	2,000 gallons	\$16.34	Minimum Bill
Next	3,000 gallons	6.49	per 1,000 gallons
Next	5,000 gallons	5.11	per 1,000 gallons
Next	40,000 gallons	4.42	per 1,000 gallons
Over	50,000 gallons	3.74	per 1,000 gallons

1-Inch Meter

First	5,000 gallons	\$35.81	Minimum Bill
Next	5,000 gallons	5.11	per 1,000 gallons
Next	40,000 gallons	4.42	per 1,000 gallons
Over	50,000 gallons	3.74	per 1,000 gallons

1 1/2-Inch Meter

First	10,000 gallons	\$61.36	Minimum Bill
Next	40,000 gallons	4.42	per 1,000 gallons
Over	50,000 gallons	3.74	per 1,000 gallons

2-Inch Meter

First	15,000 gallons	\$83.46	Minimum Bill
Next	35,000 gallons	4.42	per 1,000 gallons
Over	50,000 gallons	3.74	per 1,000 gallons

3-Inch Meter

First	35,000 gallons	\$171.86	Minimum Bill
Next	15,000 gallons	4.42	per 1,000 gallons
Over	50,000 gallons	3.74	per 1,000 gallons

Jerry Ruble
President
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