

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT )  
FILING OF NORTH NELSON WATER ) CASE NO. 2013-00316  
DISTRICT )

ORDER

On August 22, 2013, North Nelson Water District (“North Nelson”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

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.
2. On September 1, 2013, Bardstown’s wholesale rate increased from \$1.70 per 1,000 gallons to \$2.00 per 1,000 gallons.<sup>2</sup>
3. On September 1, 2013, North Nelson increased water rates to its customers to reflect its increased cost of purchased water.<sup>3</sup>
4. During the 12 months ending July 31, 2013, North Nelson purchased a total of 316,703,200 gallons of water, 137,785,200 gallons of which were purchased from Bardstown, and sold 261,995,100 gallons.

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> TFS 2013-00516 (Ky. PSC filed July 11, 2013); Letter from Dennis Brent Kirtley, Manager, Kentucky Public Service Commission, to Lawrence Hamilton, Director, Public Works and Engineering, City of Bardstown (Aug. 30, 2013).

<sup>3</sup> Resolution of Board of Commissioners of North Nelson Water District Adjusting Water Rates and Charges to Offset the City of Bardstown Wholesale Rate Increase (Aug. 19, 2013).

5. The increase in the cost of purchased water is \$41,335.56, resulting in a purchased water adjustment factor of \$0.16 per 1,000 gallons.

6. The purchased water adjustment of \$0.16 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

7. North Nelson's proposed rates, which are set forth in Appendix B, are fair, just and reasonable.

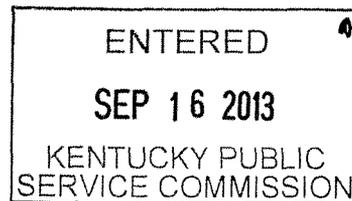
IT IS THEREFORE ORDERED that:

1. North Nelson's proposed adjustment of \$0.16 per 1,000 gallons is approved for water service rendered on and after September 1, 2013.

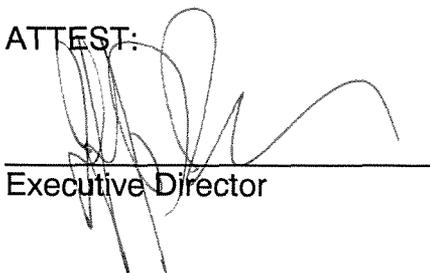
2. North Nelson's proposed rates are approved.

3. Within 20 days of the date of this Order, North Nelson shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:

  
\_\_\_\_\_  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
 COMMISSION IN CASE NO. 2013-00316 DATED **SEP 16 2013**

|                                   | New Rate                 | Base Rate           |
|-----------------------------------|--------------------------|---------------------|
| North Nelson                      |                          |                     |
| Purchases in gallons              |                          |                     |
| Bardstown                         | 137,785,200              | 137,785,200         |
| Volumetric rate                   | <u>\$2.00/1,000</u>      | <u>\$1.70/1,000</u> |
|                                   | \$275,570.40             | \$234,234.84        |
|                                   | Increased water cost     | \$41,335.56         |
| Increased water cost              | \$ 41,335.56             |                     |
| Divided by gallons sold/1,000     | <u>261,995,100</u>       |                     |
|                                   | \$0.1577                 |                     |
| Purchased water adjustment factor | \$0.16 per 1,000 gallons |                     |

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2013-00316 DATED **SEP 16 2013**

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 September 1, 2013.

Monthly Water Rates

5/8- X 3/4-Inch Meter

|                        |                |         |                   |
|------------------------|----------------|---------|-------------------|
| First                  | 2,000 Gallons  | \$14.53 | Minimum Bill      |
| Next                   | 3,000 Gallons  | 4.09    | Per 1,000 Gallons |
| Next                   | 5,000 Gallons  | 3.57    | Per 1,000 Gallons |
| Over                   | 10,000 Gallons | 3.22    | Per 1,000 Gallons |
| Truck Loading Stations |                | 6.90    | Per 1,000 Gallons |

John R Robinson  
Chairman  
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