

PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND WATER ASSOCIATIONS
(807 KAR 5:068)

Name of Utility	North Nelson Water District	
Date	5/18/2021	
Address	P.O. Box 25	
City, State, Zip	Cox's Creek, KY	40013
Telephone Number	502-348-8342	
Email Address	northnelsonwaterdistrict@yahoo.com	

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

Supplier(s)	Base Rate	Changed Rate
City of Bardstown	\$2.49/1,000 Gallons	\$2.56/1,000 Gallons
Louisville Water Company	\$2.41/1,000 Gallons \$1,202.26/month	\$2.46/1,000 Gallons \$1,244.34/month

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit A

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	May 2020	through	April 2021
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.


Supplier(s)	Gallons Purchased during 12 month period
City of Bardstown	82,306,000
Louisville Water Company	203,108,000
TOTAL PURCHASES	285,414,000
4. Total gallons sold for the 12 month period	271,368,000
5. Increased water cost	\$16,421.78
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Exhibit B	
6. Purchased water adjustment factor	.0605 Rounds to .07
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice.	
7. A schedule listing the current and proposed rates is attached as Exhibit E	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit F	
9. Proposed effective date	July 1, 2021
	
Signature of Utility Officer	
General Manager	
Title	

EXHIBIT LIST

NORTH NELSON WATER DISTRICT – PURCHASED WATER ADJUSTMENT

- A. Notice of Increased Rates from Louisville Water Company and City of Bardstown
- B. Cost Increase Calculations
- C. Water Purchases
- D. Total Water Sales
- E. Customer Notice
- F. Resolution Adjusting Water Rates and Charges to Offset the Louisville Water Company and the City of Bardstown Wholesale Rate Increases

EXHIBIT A

NOTICE

Notice is hereby given that the Louisville Water Company ("LWC") plans to file with the Public Service Commission ("PSC") on or before March 30, 2021 to increase its rates for wholesale water service to North Nelson Water District effective July 1, 2021. The proposed rates are as follows:

	<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change</u>	<u>% Change</u>
Monthly Service Charge (Per Meter)				
4" Meter	\$360.68	\$373.30	\$12.62	3.5%
6" Meter	\$841.58	\$871.04	\$29.46	3.5%
Commodity Rate (per 1,000 gallons)				
Volume Charge				
(per 1,000 gallons)	\$2.00	\$2.02	\$0.02	1.0%
Elevated Service Area Surcharge				
(per 1,000 gallons)	<u>0.41</u>	<u>0.44</u>	<u>0.03</u>	<u>7.3%</u>
Total Commodity Rate				
(per 1,000 gallons)	\$2.41	\$2.46	\$0.05	\$2.1%

The rates contained in this notice are the rates proposed by LWC but the PSC may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may examine this filing by visiting LWC's office located at 550 S. 3rd Street in Louisville, Kentucky or by contacting Michael Tigue at the same address as above or by phone at 502-569-0808.

The filing may also be examined at the offices of the PSC located at 211 Sower Boulevard in Frankfort, Kentucky, Monday through Friday from 8:00 am to 4:30 pm or through the PSC website at <http://psc.ky.gov>.

Comments regarding the filing may be submitted to the PSC through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

A timely written request for intervention that establishes grounds for the request may also be submitted to the PSC. The PSC may take final action on the filing if a written request for intervention is not received within 30-days of the date notice was given.

AREA Bardstown, Kentucky

PSC KY NO. _____

Second Revised SHEET NO. 1

City of Bardstown, Bardstown Water Department
(NAME OF UTILITY)

CANCELLING PSC KY NO. _____

First Revised SHEET NO. 1

RATES AND CHARGES

MONTHLY WHOLESALE WATER RATE:

North Nelson Water District
Larue County Water District #1

All usage

<u>Effective Date</u>	<u>Rate Per 1,000 Gallons</u>	
January 1 st 2020	\$2.45	(T)
July 1 st 2020	\$2.49	(T)(I)
July 1 st 2021	\$2.56	(T)(I)
July 1 st 2022	\$2.64	(T)(I)
July 1 st 2023	\$2.72	(T)(I)

(D)

DATE OF ISSUE 11-13-19
MONTH / DATE / YEAR

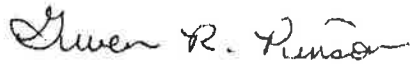
DATE EFFECTIVE January, 1, 2020
MONTH / DATE / YEAR

ISSUED BY [Signature]
SIGNATURE OF OFFICER

TITLE Mayor

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. N/A DATED N/A

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director 
EFFECTIVE 1/1/2020 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

NOTICE:

The City of Bardstown hereby provides notice that it filed with the Public Service Commission on November 13, 2019 to increase its rates to the North Nelson and Larue County No.1 Water Districts. In addition the proposed rate schedule will also apply to the cities of Bloomfield and New Haven.

The Current Rate is \$2.00 per thousand gallons and was last raised in 2013. New rates are proposed to be implemented in five incremental steps, the first become effective for water service rendered on and after January 1, 2020 with a new rate per 1,000 gallons to become effective each July 1st as forth below:

<u>Effective Date</u>	<u>New Rate</u>	<u>Previous Rate</u>	<u>\$ Difference</u>	<u>% Difference</u>
January 1 st 2020	\$2.45	\$2.00	\$0.45	22.50%
July 1 st 2020	\$2.49	\$2.45	\$0.04	1.63%
July 1 st 2021	\$2.56	\$2.49	\$0.07	2.81%
July 1 st 2022	\$2.64	\$2.56	\$0.08	3.13%
July 1 st 2023	\$2.72	\$2.64	\$0.08	3.03%

Water flowing through the meter(s) before the effective date will be charged at the previous rate while water flowing through the meter(s) on and after the new effective date will be charged at the new rate(s).

This filing may be examined at the utility's office inside Bardstown City Hall located at 220 North Fifth Street, Bardstown, Kentucky; Monday – Friday from 8:00 am - 4:30 pm.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday – Friday from 8:00 am – 4:30 pm, or on the Public Service Commission's website at <http://psc.ky.gov>.

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602; or through its website at <http://psc.ky.gov>.

While the proposed rates are the rates proposed by the City of Bardstown Water, the Public Service Commission may order rates that differ from these proposed rates.

Intervention may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602. The request for intervention must establish the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filing.

EXHIBIT B



Rate Increase July 1, 2021

Cost Increase Calculations

Louisville Water Company

Current Rate

\$2.41/1,000 Gallons x 203,108,000 Gallons = \$489,490.28

\$1,202.26/month x 12 months = \$14,427.12

Total Current Rate \$503,917.40

City of Bardstown

Current Rate

\$2.49/1,000 Gallons x 82,306,000 Gallons = \$204,941.94

Total Current Rate \$204,941.94



Louisville Water Company

New Rate

$\$2.46/1,000 \text{ Gallons} \times 203,108,000 \text{ Gallons} = \$499,645.68$

$\$1,244.34/\text{month} \times 12 \text{ months} = \$14,932.08$

Total New Rate \$514,577.76

City of Bardstown

New Rate

$\$2.56/1,000 \text{ Gallons} \times 82,306,000 \text{ Gallons} = \$210,703.36$

Total New Rate \$210,703.36



Total Water Purchased at New Rate

Louisville Water Company	\$514,577.76
<u>City of Bardstown</u>	<u>\$210,703.36</u>
Total	\$725,281.12

Total Water Purchased Current Rate

Louisville Water Company	\$503,917.40
<u>City of Bardstown</u>	<u>\$204,941.94</u>
Total	\$708,859.34

Cost Difference Between New Rate vs. Current Rate

New Rate	\$725,281.12
<u>Current Rate</u>	<u>\$708,859.34</u>
Total	\$16,421.78



NORTH NELSON WATER DISTRICT P.O. BOX 25

COX'S CREEK, KENTUCKY 40013 (502) 348-8342

Purchased Water Adjustment Factor

Increased Cost of Water/Total Gallons Sold = PWA Factor

$\$16,421.78 / 271,368,000 = .0605$ Rounds to .07

EXHIBIT C

North Nelson Water District
Find Report

April 2020 through April 2021

Type	Date	Name	Memo	Split
Check	04/16/2021	Louisville Water Co	9,591,000	61000 · Purchased Water
Check	04/16/2021	Louisville Water Co	5,680,000	61000 · Purchased Water
Check	03/16/2021	Louisville Water Co	5,739,000	61000 · Purchased Water
Check	03/16/2021	Louisville Water Co	10,671,000	61000 · Purchased Water
Check	02/16/2021	Louisville Water Co	10,542,000	61000 · Purchased Water
Check	02/16/2021	Louisville Water Co	6,013,000	61000 · Purchased Water
Check	01/12/2021	Louisville Water Co	10,745,000	61000 · Purchased Water
Check	01/12/2021	Louisville Water Co	6,864,000	61000 · Purchased Water
Check	12/16/2020	Louisville Water Co	5,081,000	61000 · Purchased Water
Check	12/16/2020	Louisville Water Co	9,231,000	61000 · Purchased Water
Check	11/16/2020	Louisville Water Co	6,245,000	61000 · Purchased Water
Check	11/16/2020	Louisville Water Co	11,784,000	61000 · Purchased Water
Check	10/27/2020	Louisville Water Co	6,633,000	61001 · Purchased Water
Check	10/27/2020	Louisville Water Co	11,192,000	61002 · Purchased Water
Check	09/17/2020	Louisville Water Co	7,180,000	61003 · Purchased Water
Check	09/17/2020	Louisville Water Co	10,775,000	61004 · Purchased Water
Check	08/17/2020	Louisville Water Co	11581000	61005 · Purchased Water
Check	08/17/2020	Louisville Water Co	6506000	61006 · Purchased Water
Check	07/22/2020	Louisville Water Co	2,399,000	61007 · Purchased Water
Check	07/14/2020	Louisville Water Co	1,354,000	61008 · Purchased Water
Check	07/07/2020	Louisville Water Co	7,058,000	61009 · Purchased Water
Check	07/07/2020	Louisville Water Co	6,800,000	61010 · Purchased Water
Check	06/15/2020	Louisville Water Co	10,567,000	61011 · Purchased Water
Check	06/15/2020	Louisville Water Co	7,058,000	61012 · Purchased Water
Check	05/18/2020	Louisville Water Co	9,843,000	61013 · Purchased Water
Check	05/18/2020	Louisville Water Co	5,976,000	61014 · Purchased Water
TOTAL GALLONS			203,108,000	

Date	Num	Name	Memo	Split
04/06/2021	10491	City of Bardstown Utilities	5,231,000	61000 · Purchased Water
03/08/2021	10459	City of Bardstown Utilities	6,718,000	61000 · Purchased Water
02/05/2021	10424	City of Bardstown Utilities	5,736,000	61000 · Purchased Water
01/08/2021	10390	City of Bardstown Utilities	6,062,000	61000 · Purchased Water
12/07/2020	10347	City of Bardstown Utilities	6,860,000	61000 · Purchased Water
11/05/2020	10313	City of Bardstown Utilities	7,436,000	61000 · Purchased Water
10/27/2020	10283	City of Bardstown Utilities	6,633,000	61000 · Purchased Water
09/08/2020	10238	City of Bardstown Utilities	8,276,400	61000 · Purchased Water
08/07/2020	10207	City of Bardstown Utilities	7,698,600	61000 · Purchased Water
07/07/2020	10166	City of Bardstown Utilities	8,554,000	61000 · Purchased Water
06/08/2020	10124	City of Bardstown Utilities	6,929,000	61000 · Purchased Water
05/12/2020	10093	City of Bardstown Utilities	6,172,000	61000 · Purchased Water
TOTAL GALLONS			82,306,000	

EXHIBIT D



Total Gallons Sold

May 2020	23,122,000 Gallons
June 2020	24,523,100 Gallons
July 2020	27,536,200 Gallons
August 2020	22,533,700 Gallons
September 2020	26,297,900 Gallons
October 2020	24,343,500 Gallons
November 2020	21,106,200 Gallons
December 2020	22,163,900 Gallons
January 2021	18,874,300 Gallons
February 2021	19,027,700 Gallons
March 2021	21,906,400 Gallons
<u>April 2021</u>	<u>19,933,100 Gallons</u>
Total	271,368,000 Gallons

EXHIBIT E

CUSTOMER NOTICE

Due to a rate increase from the City of Bardstown and Louisville Water Company, notice is hereby given that the North Nelson Water District has filed an application for a Purchased Water Adjustment with the Kentucky Public Service Commission for adjusting its water rates. Customer rates will increase by \$0.07 per 1,000 gallons used. The proposed change will be effective for service rendered on and after July 1, 2021.

Monthly Water Rates

	Current Rates	Proposed Rates	\$ Increase	% Increase
First 2,000 gallons	\$15.57 Minimum Bill	\$15.71 Minimum Bill	\$0.14	0.89%
Next 3,000 gallons	4.61 per 1,000 gallons	4.68 per 1,000 gallons	\$0.07	1.51%
Next 5,000 gallons	4.09 per 1,000 gallons	4.16 per 1,000 gallons	\$0.07	1.71%
Over 10,000 gallons	3.74 per 1,000 gallons	3.81 per 1,000 gallons	\$0.07	1.87%
Truck loading stations	7.42 per 1,000 gallons	7.49 per 1,000 gallons	\$0.07	0.94%

The monthly bill for a residential customer using an average of 5,000 gallons per month will increase from \$29.40 to \$29.75. This is an increase of \$0.35 or 1.19%.

The rates contained in this notice are the rates proposed by North Nelson Water District. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates shown in this notice.

North Nelson Water District has available for inspection at its office the application which it submitted to the Public Service Commission. North Nelson Water District's office is located at 5555 Louisville Road, Cox's Creek, KY 40013. You may contact the office at 502-348-8342.

A person may also examine the application at the Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's website at <http://psc.ky.gov>. You may contact the Public Service Commission at 502-564-3940.

EXHIBIT F

RESOLUTION NO. 2021-05-01

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
THE NORTH NELSON WATER DISTRICT ADJUSTING
WATER RATES AND CHARGES TO OFFSET THE
LOUISVILLE WATER COMPANY AND THE CITY OF
BARDSTOWN WHOLESALE RATE INCREASES**

WHEREAS, the Louisville Water Company (“LWC”) and the City of Bardstown (“Bardstown”) are North Nelson Water District’s (“District”) wholesale water providers;

WHEREAS, on March 30, 2020 LWC filed an application with the Kentucky Public Service Commission (“PSC”) seeking to increase the wholesale water rate that LWC charges the District from \$2.41 to \$2.46 per 1,000 gallons and seeking to increase the monthly meter fees that LWC charges the District (See PSC Case TFS2021-00116), effective July 1, 2021;

WHEREAS, on November 15, 2019 Bardstown filed an application with the PSC seeking to increase the wholesale water rate that Bardstown charges the District. Bardstown’s application requested multiple step increases starting on July 1, 2020 and continuing each July 1 until July 1, 2023. The PSC approved Bardstown’s application on January 1, 2020 (See PSC Case TFS2019-

00625). Effective July 1, 2021, Bardstown's wholesale rate will increase from \$2.49 per 1,000 gallons to \$2.56 per 1,000 gallons;

WHEREAS, based upon the water purchases from LWC and Bardstown during the previous 12 months and the increased monthly meter fees at both LWC master meter locations, the estimated annual increased cost to the District will be **\$16,422**;

WHEREAS, prudent financial management dictates that the District take immediate action to adjust its retail rates commensurate with LWC's and Bardstown's wholesale rate increases; and

WHEREAS, KRS 278.015 and 807 KAR 5:068 provide the legal mechanism for the District to increase its water rates commensurate with LWC's and Bardstown's wholesale rate increases via a Purchased Water Adjustment ("PWA").

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF NORTH NELSON WATER DISTRICT AS FOLLOWS:

Section 1. The facts, recitals, and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution.

Section 2. The PWA factor is **\$0.07** per 1,000 gallons;

Section 3. All tiers of water usage set forth in the District's existing tariff shall be increased by \$0.07 per 1,000 gallons, subject to any minor adjustment that may be made by the PSC.

Section 4. The monthly water rates to be charged to and collected from the customers and users of the water system of the District shall be as set forth in **Appendix A**, which is attached hereto and is incorporated herein by reference as a part of this Resolution. The rates and charges set forth in **Appendix A** are subject to any minor adjustment that may be made by the PSC. These monthly rates and charges shall be in effect for all water service rendered on and after July 1, 2021.

Section 5. The General Manager is hereby authorized and directed to execute and file the PWA Application, Tariff Sheet, and all other documents that may be required by the PSC.

Section 6. The General Manager, all appropriate District Staff, and the District's attorney are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement the PWA.

Section 7. This Resolution shall take effect upon its adoption.

ADOPTED BY THE COMMISSION OF NORTH NELSON WATER DISTRICT at a meeting held on May 17, 2021, signed by the Chairman, and attested by the Secretary.

ATTEST:



CHAIRMAN



SECRETARY

CERTIFICATION

I, Secretary of the North Nelson Water District (the “District”), do hereby certify that the foregoing is a true copy of a Resolution duly adopted by the Commission of the District at a meeting properly held on May 17, 2021, signed by the Chairman of the Commission, attested by me as Secretary, and now in full force and effect.

WITNESS my hand this 17th day of May, 2021.



SECRETARY

APPENDIX A

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. _____

Fourteenth Revised SHEET NO. _____

North Nelson Water District
(Name of Utility)

2 CANCELLING P.S.C. KY. NO. _____

Thirteenth Revised SHEET NO. 2

Rates and Charges


Monthly Water Rates

All Meter Sizes

First 2,000 Gallons	\$ 15.71	Minimum Bill	(I)
Next 3,000 Gallons	\$ 4.68	Per 1,000 Gallons	(I)
Next 5,000 Gallons	\$ 4.16	Per 1,000 Gallons	(I)
Over 10,000 Gallons	\$ 3.81	Per 1,000 Gallons	(I)
Truck Loading Stations	\$ 7.49	Per 1,000 Gallons	(I)

DATE OF ISSUE May 17, 2021
Month / Date / Year

DATE EFFECTIVE July 1, 2021
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE General Manager

By Authority Of Order Of The Public Service Commission

IN CASE NO. _____ DATED _____