

North Shelby Water Company

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September 15, 2022

Ms. Linda Bridwell
Executive Director
Public Service Commission
211 Sower Blvd
Frankfort, KY 40601

RE: Case No. 2022-00317
North Shelby Water
Company Alternative Rate Filing
Adjustment

Dear Ms. Bridwell:

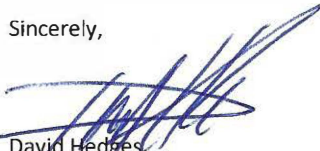
Enclosed for filing in the referenced case is North Shelby Water Company's application. This application is submitted in accordance with the Order in Case No. 2021-00249 dated July 19, 2021. This ARF Application is being filed pursuant to 807 KAR 5:076 and uses calendar year 2021 as the test year with appropriate adjustments to normalize revenues and expenses. A change in rates is not proposed.

You may recall that Page 5 of the PSC Order for Case No. 2021-00246 dated July 19, 2021 stated "5. North Shelby Water shall file an application for an adjustment in base rates within one year of the date of entry of this Order". North Shelby Water Company ("Company") engaged Kentucky Rural Water Association on a timely basis to prepare the necessary rate study to support an application. The Company was not able to obtain the data necessary from the billing software provider to prepare the Billing Analysis using a test year of 2020. The Company submitted a timely request for a sixty-day extension to September 16, 2022 to resolve that problem and submit its Alternative Rate Filing.

Since that time, Kentucky Rural Water Association worked with the billing software provider to obtain the data necessary to prepare the Billing Analysis and completed its Rate Study using a test year of 2021. The Rate Study identified the difference between the revenue required from sales of water and the revenue from sales with present rates was \$46,784 or 1.37% more than revenue from sales with present rates using the Debt Service Coverage Method for computing the revenue requirement. The Commissioners of North Shelby Water Company believe that this difference in revenues is insufficient to pursue a change in rates at this time.

The Attorney General's Office of Rate Intervention has also been provided a copy of this application by electronic mail.

Sincerely,



David Hedges
General Manager

Enclosures