



June 7, 2024

Linda C. Bridwell, Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

Re: Case No. 2024-00156
Curing Filing Deficiencies
Purchased Water Adjustment
North Nelson Water District

Dear Ms. Bridwell:

The purpose of this letter is to briefly explain how the attached documents will cure the two (2) filing deficiencies listed in your June 5, 2024 letter.

Overview. North Nelson Water District (“North Nelson”) purchases water on a wholesale basis from Louisville Water Company (“LWC”) at two (2) different locations. One location uses a 4-inch master meter and the other location uses a 6-inch master meter. LWC charges North Nelson a volumetric rate and a monthly meter service charge. Each size master meter has a different monthly meter service charge.

Elevated Service Area Surcharge. LWC’s volumetric rate is composed of two (2) components: (1) a Commodity Rate per 1,000 gallons; and (2) an Elevated Service Area Surcharge per 1,000 gallons. See the Notice from LWC filed as Exhibit A to North Nelson’s Purchased Water Adjustment Application. Both of LWC’s points of delivery (master meter locations) to North Nelson are located in LWC’s Elevated Service Area. Therefore, the volumetric rate for the water purchased through both master meters is the same. Currently, the rate is \$2.63 and LWC has proposed to increase it to

\$2.72 per 1,000 gallons. Consequently, North Nelson pays the same amount per 1,000 gallons of water passing through the 4-inch meter that it pays for 1,000 gallons of water passing through the 6-inch meter.

Filing Deficiency No. 1. Please see the revised Exhibit B, which is being filed simultaneously with this cover letter, to the Purchased Water Adjustment (“PWA”) Application. The original Exhibit B combined the monthly service charges for the two (2) master meters and listed these charges as a single entry on the Current Rate page of Exhibit B and also on the New Rate page of Exhibit B. The revised Exhibit B lists each of the two (2) meter service charges as a separate entry. The total annual amount of the meter service charges and the annual cost of the water purchased from LWC remain the same. Please substitute the revised Exhibit B for the original Exhibit B of the PWA Application.

Filing Deficiency No. 2. Please see the revised PWA Application, which is being filed simultaneously with this letter. Page 1 of the original PWA Application combined the two (2) monthly meter service charges and listed this total amount as a single entry. We have revised page 1 of the PWA Application by listing each monthly meter charge as a separate line item entry. No other changes were made to the original Application. To facilitate PSC Staff’s review, however, both pages of the revised PWA Application are being filed today. Please substitute the revised PWA Application for the original PWA Application.

We believe that the revised Exhibit B and the revised PWA Application will cure both of these filing deficiencies.

If you have any questions or need any additional information, please contact me.

Sincerely,



Colin S. Cissell
General Manager

**REVISED
EXHIBIT B**



Rate Increase July 1, 2024

Cost Increase Calculation

Louisville Water Company

Current Rate

\$ 2.63/1,000 Gallons x 225,492,000 Gallons = \$ 593,043.96

\$ 150.72/month x 12 months (4 inch meter) = \$ 1,808.64

\$ 351.68/month x 12 months (6 inch meter) = \$ 4,220.16

Total Current Rate \$ 599,072.76

City of Bardstown

Current Rate

\$ 2.72/1,000 Gallons x 91,111,700 Gallons = \$ 247,823.82

Total Current Rate \$ 247,823.82



Louisville Water Company

New Rate

\$ 2.72/1,000 Gallons x 225,492,000 Gallons = \$ 613,338.24

\$ 157.95/month x 12 months (4 inch meter) = \$ 1,895.40

\$ 368.56/month x 12 months (6 inch meter) = \$ 4,422.72

Total New Rate \$ 619,656.36

City of Bardstown

New Rate

\$ 2.72/1,000 Gallons x 91,111,700 Gallons = \$ 247,823.82

Total New Rate \$ 247,823.82

Case No. 2024-00156

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

Name of Utility	North Nelson Water District	
Date	June 7, 2024	
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	\$ 2.72/1,000 Gallons	\$ 2.72/1,000 Gallons
Louisville Water Company 4 inch Meter	\$ 2.63/1,000 Gallons \$ 150.72/month	\$ 2.72/1,000 Gallons \$ 157.95/month
Louisville Water Company 6 inch Meter	\$ 351.68/month	\$ 368.56/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 2023	through	April 2024
	(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	91,111,700
Louisville Water Company	225,492,000
TOTAL PURCHASES	316,603,700
4. Total gallons sold for the 12 month period	
	276,490,500
5. Increased water cost	
	\$ 20,583.60
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	
	0.0744 Rounds to .08
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, 2024
	
Signature of Utility Officer	
General Manager	
Title	