



# North Shelby Water Company

PO Box 97  
Bagdad, KY 40003  
(502) 747-8942

December 12, 2008

RECEIVED

DEC 15 2008

PUBLIC SERVICE  
COMMISSION

2008-00516

Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

To the COMMISSION:

The North Shelby Water Company respectfully requests that the COMMISSION allow us to make an adjustment in our rates in accordance with 807 KAR 5:067 Purchased Water Adjustment clause.

The Company has been told by its suppliers, Frankfort Electric and Water Plant Board that a \$.0965 increase will take effect on November 30, 2008. The Company purchased 178,419,000 gallons from Frankfort between December 2007 and November 2008. The result of these increases is an increase to our rates of \$.05 per 1,000 gallons. We propose to raise each gallonage block that amount.

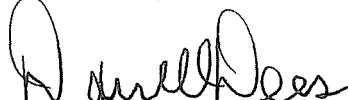
The following documents are enclosed:

- Exhibit A. Purchased Water Rate Adjustment
- Exhibit B. Copy of Wholesale Tariff
- Exhibit C. Statement of Purchases and Sales
- Exhibit D. Notice to Customers
- Exhibit E. Tariff Sheet

The Company requests the COMMISSION to grant a deviation from the regulations and allow two purchase water adjustments in that we received two adjustments within 8 days of each other. We advertised this rate adjustment in the newspaper on December 8, 2008.

If you have any questions, please contact Warner Broughman at 859-271-1778, as he is handling this matter.

Yours truly,



Darrell Dees, Manager

DD:pac

**PURCHASED WATER RATE ADJUSTMENT**

Pursuant to KRS 278.012 and 278.015

**North Shelby Water Company**

(Name of Utility)

**P.O. Box 97**

**Bagdad, KY 40003**

(Business Mailing Address)

November 30, 2008

(Date)

**(502) 747-8942**

(Telephone Number)

**1. (a) Names of all wholesale suppliers and the base rate and changed rate of each.**

<u>Supplier(s)</u>	<u>Base Rate</u>	<u>Changed Rate</u>
(1) <u>Shelbyville</u>	<u>\$1.61</u> per 1,000 gallons	<u>\$ no change</u>
(2) <u>Frankfort</u>	<u>\$1.539</u>	<u>\$ 1.636</u>
(3) <u>Louisville Water Co.</u>	<u>\$1.71</u>	<u>\$ no change</u>
(4) <u>West Shelby W.D.</u>	<u>\$3.49</u>	<u>\$ no change</u>

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

**2. Twelve-month Period Upon Which Purchased Water Adjustment is Based**

From December 2007 through November 2008

Month & Year

Month & Year

**3. Statement of Water Purchases**

<u>Supplier's Name</u>	<u>Gallons Purchased</u>
	<u>Meter No. 1</u>
(1) <u>Shelbyville</u>	<u>3,946,460</u>
(2) <u>Frankfort</u>	<u>178,419,000</u>
(3) <u>Louisville Co.</u>	<u>295,382,000</u>
(4) <u>West Shelby W.D.</u>	<u>389,400</u>
	<u>478,136,860</u>

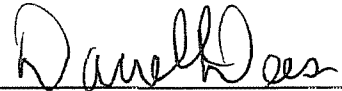
**4. Total Sales for the 12-Months**      382,534,400 gallons

**5. Purchased Water Adjustment Factor** 0.05 per 1,000 gallons.

**Unit Price Calculation**

<u>Increase</u>	<u>17,306.64</u>	=	<u>.0452</u>	Say \$0.05/1,000 gallons
<u>Water Sold</u>	<u>382,534.4</u>			

NOTE: Revised tariff sheets must be attached showing rates to be charged by the utility and the effective date of such increased rates.



Signature of Utility Officer

Manager

Title

**EXHIBIT A**

FOR Entire Service Area  
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. 2

The Electric and Water Plant  
Board of the City of Frankfort, Kentucky  
(Name of Utility)

CANCELLING P.S.C. KY. NO. N/A

N/A SHEET NO. N/A

RULES AND REGULATIONS

APPLICABILITY: All wholesale water users regulated by the Public Service Commission purchasing water from the FEWPB for resale.

KENTUCKY RIVER AUTHORITY WITHDRAWAL FEE:

Tier I Fee	2.2 cents per thousand gallons
Tier II Fee	<u>6.0 cents per thousand gallons</u>
Subtotal	8.2 cents per thousand gallons
Adjustment to recover the full cost of the KRA fee	1.45 cents per thousand gallons
Total for separate line item	9.65 cents per thousand gallons

NOTE: This adjustment recovers the increase in the Kentucky River Authority withdrawal fee adjusted for water loss. All other charges remain in full force and effect.

DATE OF ISSUE October 30, 2008  
Month / Date / Year

DATE EFFECTIVE November 30, 2008  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE General Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

EXHIBIT B

NORTH SHELBY WATER COMPANY  
STATEMENT OF PURCHASED WATER  
DECEMBER 2007 - NOVEMBER 2008

	Louisville Water:		Frankfort Plant Board:		Shelbyville Municipal:		West Shelby Water District:		Total Gallons Purchased:
	Gallons:	Cost:	Gallons:	Cost:	Gallons:	Cost:	Gallons:	Cost:	
Dec '07	17,961,000	\$ 31,278.31	13,421,000	\$ 21,325.97	186,210	\$ 2,997.98	4,800	\$ 147.06	31,573,010
Jan '08	20,192,000	\$ 35,149.82	16,463,000	\$ 26,159.71	216,760	\$ 3,489.84	-	\$ 147.06	36,871,760
Feb	21,099,000	\$ 36,625.46	12,909,000	\$ 20,512.40	126,730	\$ 2,040.54	900	\$ 147.06	34,135,610
Mar	20,763,000	\$ 36,050.90	14,981,000	\$ 23,804.81	210,500	\$ 3,389.05	400	\$ 147.06	35,954,900
Apr	24,703,000	\$ 42,844.80	13,154,000	\$ 20,901.71	237,610	\$ 3,825.52	3,000	\$ 147.06	38,097,610
May	19,112,000	\$ 33,227.69	12,340,000	\$ 19,608.26	246,000	\$ 3,960.60	3,700	\$ 147.06	31,701,700
Jun	28,997,000	\$ 51,057.80	13,946,000	\$ 22,160.19	363,270	\$ 5,848.65	45,100	\$ 208.57	43,351,370
Jul	24,784,000	\$ 42,802.52	19,646,000	\$ 31,217.49	409,350	\$ 6,590.54	19,300	\$ 147.06	44,858,650
Aug	42,338,000	\$ 72,793.50	14,984,000	\$ 23,809.58	535,440	\$ 8,620.59	28,700	\$ 147.06	57,886,140
Sept	29,214,000	\$ 50,351.46	17,182,000	\$ 27,302.20	615,010	\$ 9,901.66	108,900	\$ 468.39	47,119,910
Oct	26,975,000	\$ 46,331.61	15,391,000	\$ 25,171.98	499,790	\$ 8,046.62	160,800	\$ 679.75	43,026,590
Nov	19,244,000	\$ 33,289.56	14,002,000	\$ 21,533.50	299,810	\$ 4,826.95	13,800	\$ 147.06	33,559,610
TOTALS:	295,382,000	511,803	178,419,000	283,508	3,946,460	63,539	389,400	2,680	478,136,860

EXHIBIT C-1

NORTH SHELBY WATER COMPANY  
STATEMENT OF WATER SOLD  
DECEMBER 2007-NOVEMBER 2008

DATE:	GALLONS SOLD:	NUMBER OF CUSTOMERS:
DEC '07	29,344,600	4773
JAN '08	42,176,600	4767
FEB	29,573,300	4766
MAR	29,748,000	4752
APR	28,304,500	4756
MAY	29,379,800	4765
JUN	33,763,500	4777
JUL		4776
AUG	42,630,100	4789
SEP	43,529,200	4805
OCT	42,260,500	4811
NOV	31,824,300	4811
TOTAL:	382,534,400	57348

## NOTICE

North Shelby Water Company has filed an application with the Public Service Commission for a proposed rate change for water service. The change is made necessary due to an increase in the wholesale price of water from our supplier.

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

### 5/8 x 3/4 Meters

First 2,000 gallons per month (minimum bill)	\$11.84
Next 3,000 gallons per month per 1,000 gallons	\$ 4.80
Next 5,000 gallons per month per 1,000 gallons	\$ 3.68
Next 40,000 gallons per month per 1,000 gallons	\$ 3.12
Over 50,000 gallons per month per 1,000 gallons	\$ 2.56

### 1-inch Meters

First 5,000 gallons per month (minimum bill)	\$26.24
Next 5,000 gallons per month per 1,000 gallons	\$ 3.68
Next 40,000 gallons per month per 1,000 gallons	\$ 3.12
Over 50,000 gallons per month per 1,000 gallons	\$ 2.56

### 1-1/2 Inch Meter

First 10,000 gallons per month (minimum bill)	\$44.64
Next 40,000 gallons per month per 1,000 gallons	\$ 3.68
Over 50,000 gallons per month per 1,000 gallons	\$ 2.56

### 2 Inch Meter

First 15,000 gallons per month (minimum bill)	\$60.24
Next 35,000 gallons per month per 1,000 gallons	\$ 3.12
Over 50,000 gallons per month per 1,000 gallons	\$ 2.56

### 3 Inch Meter

First 35,000 gallons per month (minimum bill)	\$121.89
Next 15,000 gallons per month per 1,000 gallons	\$ 3.12
Over 50,000 gallons per month per 1,000 gallons	\$ 2.56

Any corporation, association, body politic or person may by motion within 30 days after publication of the proposed rate changes, request leave to intervene. All persons having reasons to intervene should file with the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602. The application is on file at the offices for the North Shelby Water Company, 4596 Bagdad Road, Bagdad, KY and is available for examination during business hours.

## EXHIBIT D

For Entire Service Area  
Community, Town or City

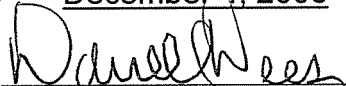
North Shelby Water Company  
P.O. Box 97  
Bagdad, KY 40003

P.S.C. KY No.

Cancelling P.S.C. KY No. 2007-00222  
(Sheet No )

CLASSIFICATION OF SERVICE	RATE PER UNIT
<b>Rates: <u>5/8 x 3/4 Inch Meter</u></b>	
First 2,000 gallons per month (minimum bill)	\$11.84
Next 3,000 gallons per month per 1,000 gallons	4.80
Next 5,000 gallons per month per 1,000 gallons	3.68
Next 40,000 gallons per month per 1,000 gallons	3.12
Over 50,000 gallons per month per 1,000 gallons	2.56
 <b><u>1 Inch Meter</u></b>	
First 20,000 gallons per month (minimum bill)	\$26.24
Next 5,000 gallons per month per 1,000 gallons	3.68
Next 40,000 gallons per month per 1,000 gallons	3.12
Over 50,000 gallons per month per 1,000 gallons	2.56
 <b><u>1-1/2 Inch Meter</u></b>	
First 10,000 gallons per month (minimum bill)	\$44.64
Next 40,000 gallons per month per 1,000 gallons	3.12
Over 50,000 gallons per month per 1,000 gallons	2.56
 <b><u>2 Inch Meter</u></b>	
First 15,000 gallons per month (minimum bill)	\$60.24
Next 40,000 gallons per month per 1,000 gallons	3.12
Over 50,000 gallons per month per 1,000 gallons	2.56
 <b><u>3 Inch Meter</u></b>	
First 35,000 gallons per month (minimum bill)	\$123.64
Next 15,000 gallons per month per 1,000 gallons	3.12
Over 50,000 gallons per month per 1,000 gallons	2.56

Date of Issue December 4, 2008 Date Effective December 10, 2008

Issued by  Title: Manager

Issued by the authority of an Order of the Public Service Commission of  
Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_

**EXHIBIT E**