

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF WEST SHELBY WATER DISTRICT) CASE NO. 2008-00546

O R D E R

On December 19, 2008, West Shelby Water District ("West Shelby District") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. West Shelby District purchases water from Shelbyville Municipal Water and Sewer Commission ("Shelbyville") and the Louisville Water Company ("Louisville").
2. Shelbyville notified West Shelby District that Shelbyville's wholesale water rate to West Shelby District would increase from \$1.73 per 1,000 gallons to \$1.83 per 1,000 gallons effective January 19, 2009. West Shelby District proposes to increase the water rates to its customers effective March 1, 2009.
3. West Shelby District's application contained a mathematical error in the purchased water factor and subsequently in the computation of the proposed rates.
4. During the 12 months ending November 30, 2008, West Shelby District purchased a total of 68,494,072 gallons of water from Shelbyville and a total of 203,606,000 gallons of water from Louisville and sold 254,685,100 gallons. The

increase in the cost of purchased water is \$6,849.41, resulting in a purchased water adjustment of \$0.03 per 1,000 gallons.

5. The purchased water adjustment of \$0.03 per 1,000 gallons is fair, just, and reasonable and should be approved.

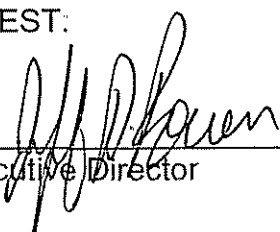
IT IS THEREFORE ORDERED that:

1. West Shelby District's proposed rates are denied.
2. The purchased water adjustment of \$0.03 per 1,000 gallons as calculated in Appendix A is approved and the rates in Appendix B are fair, just, and reasonable and are approved for services rendered on and after March 1, 2009.
3. Within 20 days of the date of this Order, West Shelby District shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 8th day of January, 2009.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00546 DATED JANUARY 8, 2009

	Base Rate	New Rate
Shelbyville Municipal Water and Sewer Commission		
Purchases in gallons	68,494,072	68,494,072
Wholesale Rate	<u>\$1.73/1,000</u>	<u>\$1.83/1,000</u>
	\$118,494.74	\$125,344.15
Louisville Water Company		
Purchases in gallons	203,606,000	
Wholesale Rate	No Change in Rate	
	Increased water cost	\$6,849.41
Increased water cost		\$6,849.41
Divided by gallons sold		<u>254,685,100</u>
Purchased water adjustment factor		\$0.03 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00546 DATED JANUARY 8, 2009

The following rates and charges are prescribed for the customers in the area served by West Shelby 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 the effective date of this Order.

Monthly Water Rates

5/8" Meter

First	2,500	gallons	\$ 13.81	Minimum bill
Next	7,500	gallons	4.89	per 1,000 gallons
Next	20,000	gallons	4.26	per 1,000 gallons
Next	200,000	gallons	3.76	per 1,000 gallons
All Over	230,000	gallons	3.40	per 1,000 gallons

3/4" Meter

First	3,500	gallons	\$ 18.69	Minimum bill
Next	6,500	gallons	4.89	per 1,000 gallons
Next	20,000	gallons	4.26	per 1,000 gallons
Next	200,000	gallons	3.76	per 1,000 gallons
All Over	230,000	gallons	3.40	per 1,000 gallons

1" Meter

First	5,000	gallons	\$ 26.01	Minimum bill
Next	5,000	gallons	4.89	per 1,000 gallons
Next	20,000	gallons	4.26	per 1,000 gallons
Next	200,000	gallons	3.76	per 1,000 gallons
All Over	230,000	gallons	3.40	per 1,000 gallons

1 1/2" Meter

First	10,000	gallons	\$ 50.15	Minimum bill
Next	20,000	gallons	4.26	per 1,000 gallons
Next	200,000	gallons	3.76	per 1,000 gallons
All Over	230,000	gallons	3.40	per 1,000 gallons

2" Meter

First	16,000	gallons	\$ 76.00	Minimum bill
Next	14,000	gallons	4.26	per 1,000 gallons
Next	200,000	gallons	3.76	per 1,000 gallons
All Over	230,000	gallons	3.40	per 1,000 gallons

3" Meter

First	30,000	gallons	\$ 134.71	Minimum bill
Next	200,000	gallons	3.76	per 1,000 gallons
All Over	230,000	gallons	3.40	per 1,000 gallons

4" Meter

First	50,000	gallons	\$ 210.77	Minimum bill
Next	150,000	gallons	3.76	per 1,000 gallons
All Over	230,000	gallons	3.40	per 1,000 gallons

6" Meter

First	100,000	gallons	\$ 398.67	Minimum bill
Next	130,000	gallons	3.76	per 1,000 gallons
All Over	230,000	gallons	3.40	per 1,000 gallons

Wanda H Land
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