

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF NEBO WATER DISTRICT) CASE NO. 2001-483
)

O R D E R

On December 26, 2001, Nebo Water District (Nebo) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068.

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

1. Nebo purchases water from the city of Madisonville (Madisonville).
2. Madisonville notified Nebo that effective with its February 1, 2002 billing its wholesale water rate would increase from \$1.58 per 1,000 gallons to \$1.94 per 1,000 gallons. Nebo proposes to increase the water rates to its customers effective with the date of this Order.
3. During the 12 months ending December 31, 2001, Nebo purchased 98,162,000 gallons of water and sold 86,983,000 gallons. The increase in the cost of purchased water is \$35,338.32, resulting in a purchased water adjustment of \$0.41 per 1000 gallons.
4. The purchased water adjustment of \$0.41 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The proposed rates by Nebo are approved.

2. The purchased water adjustment of \$0.41 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after February 1, 2002.

3. Within 20 days of the date of this Order, Nebo shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 25th day of January, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2001-483 DATED

The following rates and charges are prescribed for the customers in the area served by Nebo 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.

Minimum Water Rates Based on Size Connections

<u>Size of Water Meter Connections</u>	<u>Number of gal. or Less of Per Month to be Provided for the Minimum Rate</u>	<u>Minimum monthly Water Rate Per Connection</u>
5/8 inch x 3/4 inch	2,000 gallons	\$11.68
1 inch	4,000 gallons	22.36
1-1/2 inch	10,000 gallons	48.40
2 inch	20,000 gallons	86.80
3 inch	30,000 gallons	120.20

Meter Rates for Water Usage in Addition to Minimum Charge

<u>Number of Gallons of Water per Month</u>	<u>Monthly Charge per 1,000 Gallons</u>
First 2,000 gallons	\$11.68
Next 2,000 gallons	5.34
Next 6,000 gallons	4.34
Next 10,000 gallons	3.84
All over 20,000 gallons	3.34