

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF NEBO WATER DISTRICT)	2015-00068

ORDER

On March 17, 2015, Nebo Water District (“Nebo District”) submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

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

1. Nebo District purchases water from the city of Madisonville (“Madisonville”).

2. On March 15, 2015, Madisonville increased its wholesale water rate to Nebo District from \$3.71 per 1,000 gallons to \$3.95 per 1,000 gallons.² Nebo District proposed to increase its water rates effective March 15, 2015, to reflect the increased cost of purchased water.

3. During the 12 months ended December 31, 2014, Nebo District purchased 156,904,000 gallons of water from Madisonville and sold 134,784,000 gallons of water. The increase in the cost of purchased water is \$37,656.96, resulting in a purchased water adjustment factor of \$0.28 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2015-00090 (Ky. PSC filed Feb. 10, 2015); The tariff was accepted for filing by Commission Letter dated Mar. 11, 2015.

4. The purchased water adjustment factor of \$0.28 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

5. The rates as set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service rendered on and after March 15, 2015.

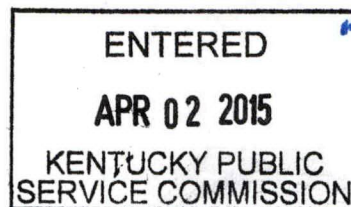
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.28 per 1,000 gallons is approved.

2. Nebo District's proposed rates are approved for services rendered on and after March 15, 2015.

3. Within 20 days of the date of this Order, Nebo District shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:

Handwritten signature in blue ink that reads "Stephanie Bell" followed by a stylized flourish.

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00068 DATED **APR 02 2015**

	New Rate	Base Rate
Madisonville		
Purchases in gallons	156,904,000	156,904,000
Volumetric rate	<u>\$ 3.95/1,000</u>	<u>\$ 3.71/1,000</u>
	\$619,770.80	\$582,113.84

Increased water cost \$37,656.96

Increased water cost \$ 37,656.96
Divided by gallons sold/1,000 134,784,000
\$ 0.2793

Purchased water adjustment factor \$0.28 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00068 DATED **APR 02 2015**

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.

Monthly Water Rates

5/8- X 3/4-Inch Meter

First 2,000 Gallons	\$ 19.35 Minimum Bill
Next 2,000 Gallons	7.88 per 1,000 Gallons
Next 6,000 Gallons	7.43 per 1,000 Gallons
Next 10,000 Gallons	7.00 per 1,000 Gallons
Over 20,000 Gallons	6.55 per 1,000 Gallons

1-Inch Meter

First 4,000 Gallons	\$ 35.11 Minimum Bill
Next 6,000 Gallons	7.43 per 1,000 Gallons
Next 10,000 Gallons	7.00 per 1,000 Gallons
Over 20,000 Gallons	6.55 per 1,000 Gallons

1 1/2-Inch Meter

First 10,000 Gallons	\$ 79.69 Minimum Bill
Next 10,000 Gallons	7.00 per 1,000 Gallons
Over 20,000 Gallons	6.55 per 1,000 Gallons

2-Inch Meter

First 20,000 Gallons	\$ 149.69 Minimum Bill
Over 20,000 Gallons	6.55 per 1,000 Gallons

3-Inch Meter

First 30,000 Gallons	\$ 214.89 Minimum Bill
Over 30,000 Gallons	6.55 per 1,000 Gallons

4-Inch Meter

First 50,000 Gallons	\$ 345.69 Minimum Bill
Over 50,000 Gallons	6.55 per 1,000 Gallons

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