

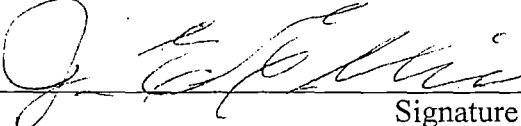

PURCHASED WATER ADJUSTMENT FOR  
WATER DISTRICTS AND WATER ASSOCIATIONS  
(807 KAR 5:068)

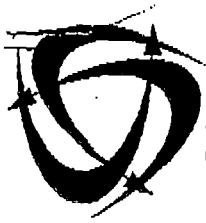
**RECEIVED**

MAR 25 2019

PUBLIC SERVICE  
COMMISSION

Name of Utility	NEBO WATER DISTRICT		
Date	MARCH 11, 2019		
Address	45 BERNARD STREET		
City, State, Zip	NEBO, KY	42441	
Telephone Number	270-249-3709		
Email Address	nwdoffice@yahoo.com		
1a. 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 MADISONVILLE, KY	\$3.97/1,000 GALLONS	\$4.52/1,000 GALLONS
	WEBSTER COUNTY WATER DISTRICT	\$3.70/1,000 GALLONS	\$3.70/1,000 GALLONS
1b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit			
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	JANUARY, 2018	through	DECEMBER, 2018
	(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 MADISONVILLE, KY	104,492,500
WEBSTER COUNTY WATER DISTRICT	594,500
<b>TOTAL PURCHASES</b>	105,087,000
4. Total gallons sold for the 12 month period	82,584,000
5. Increased water cost	57,470.87
<p>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</p>	
6. Purchased water adjustment factor	.70/1,000 GALLONS
<p>The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.</p>	
<p>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.</p>	
7. A schedule listing the current and proposed rates is attached as Exhibit	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit	
9. Proposed effective date	MARCH 31, 2019
	
Signature of Utility Officer	
	
Title	



**BerryKington & Utley PSC**  
Certified Public Accountants

2822 North Main Street ■ Madisonville, KY 42431  
Phone 270-821-3355 ■ Fax 270-821-0101

January 14, 2019

Mr. Cory Alexander  
City Finance Director/Treasurer  
City of Madisonville, Kentucky  
67 North Main Street  
Madisonville, KY 42431

Dear Cory:

We have prepared the accompanying Cost Review Formulas for revising calendar year wholesale rate charges as per Treated Water Sale and Purchase Agreements with the Nebo Water District.

We prepared the Cost Review Formulas using June 30, 2017 audited financial statements and wholesale user consumption records as provided by the City of Madisonville. We did not audit the wholesale user consumption records during our June 30, 2017 audit due to the fact that such records were outside the scope of the audit.

The wholesale water rate to be charged to the Nebo Water District is \$4.52 per each one thousand gallons of treated water. It is my understanding that the new rate will be charged from March 31, 2019 to March 31, 2020.

We appreciate the opportunity to be of service to the City of Madisonville. Please call if you have any questions regarding these computations.

Very truly yours,

Charles A. Kington, CPA

# Nebo Water District

SUPPLIER	NEW RATE (per 1,000)	OLD RATE (per 1,000)
MADISONVILLE	\$4.5200	\$3.9700
WCWD	\$3.7000	\$3.7000

TWELVE MONTH TEST PERIOD: **Month, Year through Month, Year**

SUPPLIER	GALLONS PURCHASED DURING TEST PERIOD
MADISONVILLE	104,492,500
WCWD	594,500
TOTAL	105,087,000

SUPPLIER	COST AT NEW RATE	COST AT OLD RATE	INCREASED WATER COST
MADISONVILLE	\$472,306.10	\$414,835.23	
WCWD	\$2,199.65	\$2,199.65	
TOTAL	\$474,505.75	\$417,034.88	\$57,470.87

TOTAL GALLONS SOLD FOR THE TEST PERIOD : **82,584,000**

Increased Water Cost / (total gallons sold / 1,000) = Purchased Water Adjustment Factor

\$57,470.87	/	82,584,000	/1000	=	0.695908106
				ROUNDED	<b>0.7</b>

NEBO WATER DISTRICT

COMPARISON OF RATES-2019

	<u>MINIMUM BILL</u>	<u>CURRENT</u>	<u>PROPOSED</u>
5/8" x 3/4" METER	2,000 GALLONS	21.75	23.15
1" METER	4,000 GALLONS	39.48	42.28
1 1/2" METER	10,000 GALLONS	89.71	96.71
2" METER	20,000 GALLONS	168.51	182.51
3" METER	30,000 GALLONS	242.31	263.31
4" METER	50,000 GALLONS	389.91	424.91
USAGE RATES			
FIRST	2,000 GALLONS	21.75	23.15
NEXT	2,000 GALLONS	8.87	9.57
NEXT	6,000 GALLONS	8.37	9.07
NEXT	10,000 GALLONS	7.88	8.58
OVER	20,000 GALLONS	7.38	8.08

AREA HOPKINS COUNTY, KENTUCKY

PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

NEBO WATER DISTRICT  
(NAME OF UTILITY)

CANCELLING PSC KY NO. 2018-00104

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

MONTHLY WATER RATES

5/8-INCH METER

FIRST 2,000 GALLONS	\$23.15 MINIMUM BILL
NEXT 2,000 GALLONS	9.57 PER 1,000 GALLONS
NEXT 6,000 GALLONS	9.07 PER 1,000 GALLONS
NEXT 10,000 GALLONS	8.58 PER 1,000 GALLONS
NEXT 20,000 GALLONS	8.08 PER 1,000 GALLONS

1-INCH METER

FIRST 4,000 GALLONS	\$42.28 MINIMUM BILL
NEXT 6,000 GALLONS	9.07 PER 1,000 GALLONS
NEXT 10,000 GALLONS	8.58 PER 1,000 GALLONS
NEXT 20,000 GALLONS	8.08 PER 1,000 GALLONS

1½ INCH METER

FIRST 10,000 GALLONS	\$96.71 MINIMUM BILL
NEXT 10,000 GALLONS	8.58 PER 1,000 GALLONS
OVER 20,000 GALLONS	8.08 PER 1,000 GALLONS

2-INCH METER

FIRST 20,000 GALLONS	\$182.51 MINIMUM BILL
OVER 20,000 GALLONS	8.08 PER 1,000 GALLONS

3-INCH METER

FIRST 30,000 GALLONS	\$263.31 MINIMUM BILL
OVER 30,000 GALLONS	8.08 PER 1,000 GALLONS

4-INCH METER

FIRST 50,000 GALLONS	\$424.91 MINIMUM BILL
OVER 50,000 GALLONS	8.08 PER 1,000 GALLONS

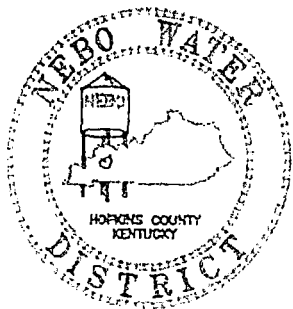
DATE OF ISSUE- FEBRUARY 11, 2019  
MONTH / DATE / YEAR

DATE EFFECTIVE MARCH 31, 2019  
MONTH / DATE / YEAR

ISSUED BY \_\_\_\_\_  
SIGNATURE OF OFFICER

TITLE \_\_\_\_\_

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



# NEBO WATER DISTRICT

45 NORTH BERNARD  
NEBO, KENTUCKY 42441  
PHONE: (270) 249-3709  
FAX: (270) 249-3714

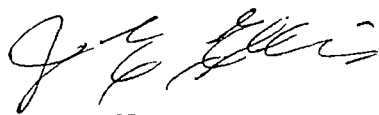
## Special Called Meeting

March 12, 2019

9:00 a.m.

The Nebo Water District Commissioners had a special called meeting to discuss the proposed rate increase. On February 5<sup>th</sup>, 2019, the Nebo Water District received a letter from the City of Madisonville informing the District of their intention of raising the Wholesale rate by 55 cents per 1000 gallons. The Commissioners had a special called meeting on March 12, 2019 and voted to increase the customer's current rate by 70 cents per 1000 gallons in accordance with the formula figured by their accountant Michael L. Overby C.P.A. This increase would go into effect on March 31<sup>st</sup> 2019.

Commission Chairman

  
J E Ellis