

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
NEBO WATER DISTRICT) CASE NO. 99-035

O R D E R

On February 1, 1999, Nebo Water District (Nebo) 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. Nebo purchases its water from the city of Madisonville (Madisonville).
2. Madisonville is increasing the wholesale water rate charged to Nebo from \$1.71 per 1,000 gallons to \$1.86 per 1,000 gallons purchased effective March 1, 1999.
3. During the 12 months ending December 31, 1998, Nebo purchased 90,015,000 gallons of water and sold 88,151,000 gallons.
4. The increase in the cost of purchased water will be \$13,502.25, resulting in a purchased water adjustment of \$0.15 per 1,000 gallons of water. Based on a monthly usage of 5,000 gallons, the average bill of a Nebo customer would increase \$0.75 from \$25.45 to \$26.20 or 2.9 percent.
5. The calculations and proposed tariff provided by Nebo are correct and should be approved.

6. The purchased water adjustment of \$0.15 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.15 per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after March 1, 1999.

2. The tariff submitted by Nebo is hereby approved as filed.

3. Within 20 days from the effective date of this Order, Nebo shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 3rd day of March, 1999.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-035 DATED MARCH 3, 1999

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

First	2,000 gallons	\$11.48	Minimum bill
Next	2,000 gallons	5.24	per 1,000 gallons
Next	6,000 gallons	4.24	per 1,000 gallons
Next	10,000 gallons	3.74	per 1,000 gallons
Over	20,000 gallons	3.24	per 1,000 gallons

Minimum Bills

Meter Size

5/8 inch x 3 / 4 inch	\$ 11.48	first	2,000 gallons
1 inch	21.96	first	4,000 gallons
1-1/2 inch	47.40	first	10,000 gallons
2 inch	84.80	first	20,000 gallons
3 inch	117.20	first	30,000 gallons