

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF        )  
NEBO WATER DISTRICT                        )        CASE NO. 2001-013

O R D E R

On January 12, 2001, 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, Kentucky (“Madisonville”).
2. Madisonville increased its wholesale water rate to \$1.58 from \$1.56 per thousand gallons.
3. During the 12 months ending December 2000, Nebo purchased 97,322,000 gallons of water from Madisonville and sold 77,685,200 gallons.
4. The increase in the cost of purchased water is \$1,946.44, resulting in a purchased water adjustment of 3 cents per 1,000 gallons of water. Based on a monthly usage of 5,000 gallons, the average residential bill of a Nebo customer would increase \$0.15, from \$24.50 to \$24.65, or 0.61 percent.
5. Nebo’s calculations and proposed tariff are incorrect and should be denied.

6. The purchased water adjustment of 3 cents 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 3 cents per 1,000 gallons and the rates in Appendix A are approved for bills issued on and after March 1, 2001.

2. Nebo's proposed tariff is hereby denied as filed.

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


4. Nebo shall notify its customers of the approved rate adjustment no later than the rendering of the first bill at the increased rate.

5. Within 30 days from the date of this Order, Nebo shall file with the Commission a copy of the notice to its customers of the revised rates along with verification that such notice has been given.

Done at Frankfort, Kentucky, this 2<sup>nd</sup> day of February, 2001.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2001-013 DATED FEBRUARY 2, 2001

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	\$10.86	Minimum Bill
Next	2,000 Gallons	4.93	Per 1,000 Gallons
Next	6,000 Gallons	3.93	Per 1,000 Gallons
Next	10,000 Gallons	3.43	Per 1,000 Gallons
Over	20,000 Gallons	2.93	Per 1,000 Gallons

MINIMUM BILLS

5/8 Inch X 3/4 Inch	\$10.86	First	2,000 Gallons
1 Inch	20.72	First	4,000 Gallons
1-1/2 Inch	44.30	First	10,000 Gallons
2 Inch	78.60	First	20,000 Gallons
3 Inch	107.90	First	30,000 Gallons