

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
OF NEBO WATER DISTRICT)	2001-00483

AMENDED ORDER

On December 26, 2001, Nebo Water District (Nebo) filed an application to increase its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068. Nebo proposed to place its proposed rates into effect for services rendered on and after February 1, 2002. On January 25, 2002, the Commission entered an Order authorizing Nebo to place its revised rates into effect on and after February 1, 2002.

By letter received February 2, 2002, Nebo stated that it had placed its revised rates into effect for service rendered on and after January 13, 2002, the same date as its supplier, the city of Madisonville, increased its wholesale rate to Nebo. Nebo has requested that it not be required to refund the difference in the amount charged from January 13, 2002 to February 1, 2002. Nebo states that considering the time involved with entering the overpayment back to all customers involved, together with costs of supplies and reprinting bills, it would not be cost effective to make a refund.

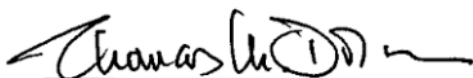
The Commission finds that in accordance with 807 KAR 5:068, Section 3, a utility may adjust its rates to reflect a wholesale rate adjustment from its supplier prior to filing an application with the Commission.

IT IS THEREFORE ORDERED that Nebo shall not be required to make any adjustment to its customers bills for the time period of January 13, 2002 to February 1, 2002.

Done at Frankfort, Kentucky, this 19th day of March, 2002.

By the Commission

ATTEST:



Executive Director