

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING) CASE NO.
OF NEBO WATER DISTRICT) 2013-00047

ORDER

On February 5, 2013, Nebo Water District ("Nebo") applied 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 purchases water from the City of Madisonville, Kentucky ("Madisonville").
2. On March 1, 2013, Madisonville increased its wholesale water rate to Nebo from \$3.63 per 1,000 gallons to \$3.65 per 1,000 gallons.
3. Nebo proposes to increase the water rates to its customers on March 1, 2013, to reflect the increased cost of its purchased water.
4. During the 12 months ending December 31, 2012, Nebo purchased 170,131,000 gallons of water and sold 146,667,000 gallons.
5. The increase in the cost of purchased water is \$3,402.62, resulting in a purchased water adjustment of \$0.02 per 1,000 gallons.
6. The purchased water adjustment of \$0.02 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

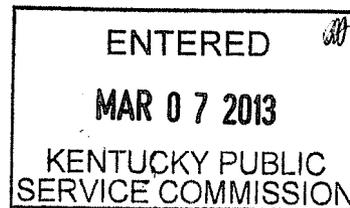
¹ KRS 278.015 and 807 KAR 5:068.

7. Nebo's proposed rates, which are set forth in Appendix B, are fair, just, and reasonable.

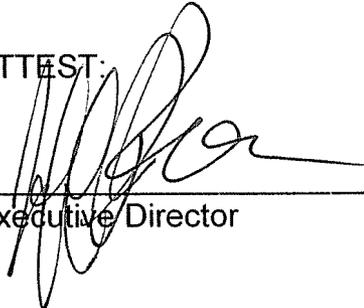
IT IS THEREFORE ORDERED that:

1. Nebo's proposed purchased water adjustment of \$0.02 per 1,000 gallons is approved for water service rendered on and after March 1, 2013.
2. Nebo's proposed rates are approved.
3. Nebo's tariff sheets, submitted with its application, are approved as filed.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2013-00047 DATED **MAR 07 2013**

	New Rate	Base Rate
Nebo Water		
Purchases in Gallons	170,131,000	170,131,000
Volumetric Rate	<u>\$3.65/1,000</u>	<u>\$3.63/1,000</u>
Increased Water Cost	\$620,978.15	\$617,575.53
		\$3,402.62
Increased Water Cost		<u>\$3,402.62</u>
Divided by Gallons Sold/1,000		<u>146,667,000</u>
		\$0.023
Purchased Water Adjustment Factor		\$0.02 Per 1,000 Gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00047 DATED **MAR 07 2013**

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-Inch X 3/4-Inch Meter

First 2,000 Gallons	\$ 18.65 Minimum Bill
Next 2,000 Gallons	7.53 Per 1,000 Gallons
Next 6,000 Gallons	7.08 Per 1,000 Gallons
Next 10,000 Gallons	6.65 Per 1,000 Gallons
Over 20,000 Gallons	6.20 Per 1,000 Gallons

1-Inch Meter

First 4,000 Gallons	\$ 33.71 Minimum Bill
Next 6,000 Gallons	7.08 Per 1,000 Gallons
Next 10,000 Gallons	6.65 Per 1,000 Gallons
Over 20,000 Gallons	6.20 Per 1,000 Gallons

1 1/2-Inch Meter

First 10,000 Gallons	\$ 76.19 Minimum Bill
Next 10,000 Gallons	6.65 Per 1,000 Gallons
Over 20,000 Gallons	6.20 Per 1,000 Gallons

2-Inch Meter

First 20,000 Gallons	\$ 142.69 Minimum Bill
Over 20,000 Gallons	6.20 Per 1,000 Gallons

3-Inch Meter

First 30,000 Gallons	\$ 204.39 Minimum Bill
Over 30,000 Gallons	6.20 Per 1,000 Gallons

4-Inch Meter

First 50,000 Gallons	\$ 328.19 Minimum Bill
Over 50,000 Gallons	6.20 Per 1,000 Gallons

J.E. Ellis
Chairman
Nebo Water District
45 N. Bernard Street
Nebo, KY 42441