

PASS-THROUGH CALCULATION FOR PURCHASED WATER RATES

	<u>NEW RATE</u>	<u>BASE RATE</u>
JSEWD thousands of gallons of water purchased from the City of Nicholasville	310,241.93	310,241.93
Volumetric rate	\$3.55/1,000 gal.	\$3.09/1,000 gal.
Resulting Cost	\$ 1,101,358.85	\$ 958,647.57

INCREASED COST OF \$142,711.28

Increased cost	<u>\$142,711.28</u>
Divided by (thousands of gallons of water sold)	289,816.054 =
	~\$0.492420203 per 1,000 gallons
	\$0.4924 per 1,000 gallons, rounded up* to
	\$0.50 per 1,000 gallons

* Without rounding up, JSEWD would never fully recover its increased costs

EXHIBIT "B"