PASS-THROUGH CALCULATION FOR PURCHASED WATER RATES

	NEW RATE	BASE RATE
JSEWD thousands of gallons	310,241.93	310,241.93
of water purchased from the		
City of Nicholasville		
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 \$142,711.28 Divided by (thousands of gallons of water sold) 289,816.054 =

~\$0.482420203 per 1,000 gallons

\$0.482 per 1,000 gallons, rounded up* to

\$0.49 per 1,000 gallons

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

EXHIBIT "B"