



*Michael L. Overby, CPA, PLLC*  
*Certified Public Accountant*  
2201 Westerfield Drive, Suite C  
Providence, KY. 42450

RECEIVED  
FEB 23 2009  
PUBLIC SERVICE  
COMMISSION

February 18, 2009

Mr. Brent Kirtley  
Public Service Commission  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, KY 40602-0615

Re: Water Rate Increase-Nebo Water District

Dear Mr. Kirtley:

2009-00083

I am enclosing the new water rate adjustment for the Nebo Water District. I trust that you will forward any part of the filing to its proper department. I knew that you were in charge of the tariffs.

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Michael L. Overby CPA'.

Michael L. Overby, CPA, PLLC

**PURCHASED WATER ADJUSTMENT FOR  
WATER DISTRICTS AND ASSOCIATIONS  
(807 KAR 5:068)**

Name of Utility	NEBO WATER DISTRICT	
Date	FEBRUARY 18, 2009	
Address	P.O. BOX 147	
City, State, Zip	NEBO, KENTUCKY 42441	
Telephone Number	(270)249-3709	

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

Supplier(s)	Base Rate	Changed Rate
CITY OF MADISONVILLE, KY	\$3.27/1,000 GALLONS	\$3.59/1,000 GALLONS

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit A.

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	JANUARY 1, 2008	through	DECEMBER 31, 2008
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

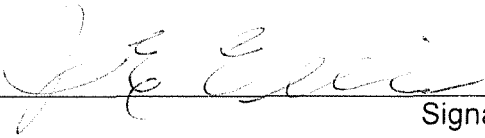
Supplier(s)	Gallons Purchased during 12 month period
CITY OF MADISONVILLE, KY	145,651,000
<b>TOTAL PURCHASES</b>	145,651,000
4. Total sales for the 12 month period	116,077,000
5. Increased water cost	\$ 46,608.32
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	.40/1,000 GALLONS
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p><b>Note:</b> The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</p>	
7. Proposed effective date	MARCH 8, 2009
	
Signature of Utility Officer	
CHAIRMAN	
Title	



EXHIBIT A

**BERRY & KINGTON, PSC**  
CERTIFIED PUBLIC ACCOUNTANTS

2822 North Main Street  
Madisonville, KY 42431  
Phone: 270-821-3355  
Fax: 270-821-0101  
email: cpas@berryandkington.com

January 24, 2009

Mr. Mike Franklin  
City Administrative Officer  
City of Madisonville, Kentucky  
67 North Main Street  
Madisonville, KY 42431

Dear Mike:

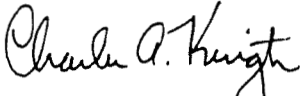
We have prepared the accompanying Cost Review Formulas for revising calendar year wholesale rate charges as per Treated Water Sale and Purchase Agreements with the Nebo Water District.

We prepared the Cost Review Formulas using June 30, 2008 audited financial statements and wholesale user consumption records as provided by the City of Madisonville. We did not audit the wholesale user consumption records during our June 30, 2008 audit due to the fact that such records were outside the scope of the audit.

The wholesale water rate to be charged to the Nebo Water District is \$3.59 per each one thousand gallons of treated water. It is my understanding that the new rate will be charged from March 1, 2009 to December 31, 2009.

We appreciate the opportunity to be of service to the City of Madisonville. Please call if you have any questions regarding these computations.

Very truly yours,

  
Charles A. Kington, CPA

FOR HOPKINS COUNTY, KENTUCKY  
Community, Town or City

P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

NEBO WATER DISTRICT  
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2008-00031

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

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CONTENTS

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MONTHLY WATER RATES

FIRST 2,000 GALLONS	\$ 18.51 MINIMUM BILL
NEXT 2,000 GALLONS	7.46 PER 1,000 GALLONS
NEXT 6,000 GALLONS	7.01 PER 1,000 GALLONS
NEXT 10,000 GALLONS	6.58 PER 1,000 GALLONS
OVER 20,000 GALLONS	6.13 PER 1,000 GALLONS


MINIMUM BILLS

5/8 INCH X 3/4 INCH	18.51 FIRST 2,000 GALLONS
1 INCH	33.43 FIRST 4,000 GALLONS
1-1/2 INCH	75.49 FIRST 10,000 GALLONS
2 INCH	141.29 FIRST 20,000 GALLONS
3 INCH	202.59 FIRST 30,000 GALLONS
4 INCH	325.19 FIRST 50,000 GALLONS

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DATE OF ISSUE FEBRUARY 18, 2009  
Month / Date / Year

DATE EFFECTIVE MARCH 8, 2009  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_