

CANNONSBURG WATER DISTRICT
1606 CANNONSBURG ROAD
ASHLAND, KY 41102
606-928-9808
FAX# 606-928-4788

JANUARY 2, 2013

PUBLIC SERVICE COMMISSION
P O BOX 615
FRANKFORT, KY 40602

RECEIVED

JAN 7 2013
PUBLIC SERVICE
COMMISSION

RE: PURCHASE WATER ADJUSTMENT

Please find enclosed the information requested for Purchased Water Adjustment for our Water District. We have been notified by the City of Ashland that they intend to increase our purchased water rate from \$2.46 to \$2.58 per 1000 gallons. Also Big Sandy Water District has raised our wholesale rate from \$3.22 to \$4.65. This would become effective for all water that will pass through the meter on or after January 13, 2013.

Please contact me should you have any questions.

Sincerely,



Danny R. Clarkston
Manager

DRC/sph
enclosures

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

Cannonsburg Water District

December 20, 2012
(Date)

1606 Cannonsburg Road
(Address)

Ashland, KY 41102
(City, State)

(606) 928-9808
(Telephone Number)

- 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.

<u>Supplier(s)</u>	<u>Base Rate</u>	<u>Changed Rate</u>
<u>Big Sandy Water</u>	<u>\$3.22</u>	<u>\$4.65</u>
<u>City of Ashland</u>	<u>\$2.46</u>	<u>\$2.58</u>

- 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: **Novemger 2011** through **October 2012**
 (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
Big Sandy Water District	3,206,800
City of Ashland	443,071,000

TOTAL PURCHASES

4. Total sales for the 12-month period: \$2,167,215.74

5. Increased water cost:

The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.

6. Purchased water adjustment factor:

The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.

Note: 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.

7. Proposed effective date: **January 13, 2013.**



Danny R. Clarkston

(Signature of Utility Officer)

Manager

(Title)

Cannonsburg Water District

	NEW RATE		OLD RATE	
<u>SUPPLIER</u>	(per 1,000)		(per 1,000)	
Big Sandy Water	\$4.6500		\$3.2200	
City of Ashland	\$2.5800		\$2.4600	
TWELVE MONTH TEST PERIOD:		november 2011 thur october2012		
<u>SUPPLIER</u>	<u>GALLONS PURCHASED DURING TEST PERIOD</u>			
Big Sandy Water			3,206,800	
City of Ashland			443,071,000	
TOTAL			446,277,800	
<u>SUPPLIER</u>	COST AT <u>NEW RATE</u>		COST AT <u>OLD RATE</u>	
Big Sandy Water	\$14,911.62		\$10,325.90	
City of Ashland	\$1,143,123.18		\$1,089,954.66	INCREASED
				WATER COST
TOTAL	\$1,158,034.80	-	\$1,100,280.56	= \$57,754.24
TOTAL GALLONS SOLD FOR THE TEST PERIOD :			341,428,120	
Increased Water Cost /(total gallons sold / 1,000) = Purchased Water Adjustment Factor				
\$57,754.24	/	341,428,120	/1000	= 0.169154913
			ROUNDED	0.17

CITY OF ASHLAND

DATES	GALLONS PURCHASED		\$ AMOUNT
10/1/11 - 11/1/11	35,911,000	\$	83,672.63
11/2/11 - 12/1/11	37,494,000	\$	81,361.02
12/2/11 - 1/1/12	42,330,000	\$	104,131.80
1/2/12 - 2/1/12	34,562,000	\$	85,022.52
2/2/12 - 3/1/12	37,728,000	\$	92,812.82
3/2/12 - 4/1/12	32,718,000	\$	80,486.28
4/2/12 - 5/1/12	40,291,000	\$	99,115.86
5/2/12 - 6/1/12	39,628,000	\$	97,484.88
6/2/12 - 7/1/12	37,083,000	\$	91,224.18
7/2/12 - 8/1/12	35,556,000	\$	87,467.76
8/2/12 - 9/1/12	36,445,000	\$	89,654.70
9/2/12 - 10/1/12	33,325,000	\$	81,979.50
TOTAL	443,071,000	\$	1,074,413.95

BIG SANDY WATER DISTRICT

DATES	GALLONS PURCHASED		\$ AMOUNT
10/1/11 - 11/1/11	149,400	\$	372.01
11/2/11 - 12/1/11	167,000	\$	415.83
12/2/12 - 1/3/12	226,100	\$	562.99
1/2/12 - 2/1/12	436,400	\$	1,104.09
2/2/12 - 3/1/12	418,500	\$	1,058.81
3/2/12 - 4/2/12	392,900	\$	994.04
4/3/12 - 5/1/12	118,000	\$	298.54
5/2/12 - 6/1/12	157,900	\$	508.44
6/2/12 - 7/3/12	158,100	\$	509.08
7/4/12 - 8/7/12	353,200	\$	858.45
8/8/12 - 9/5/12	255,200	\$	821.74
9/6/12 - 10/1/12	374,100	\$	2,252.47
TOTAL	3,206,800	\$	9,756.49

BILLING DATES	GALLONS WATER SOLD		\$ AMOUNT
METERS RD 1ST OF MON			
11/30/2012	22,398,600	\$	143,510.23
12/30/2011	22,628,200	\$	141,623.54
1/30/2012	28,087,700	\$	165,793.79
2/29/2012	28,180,560	\$	170,860.74
3/30/2012	26,141,900	\$	164,723.68
4/30/2012	28,269,400	\$	175,169.09
5/31/2012	37,624,460	\$	177,738.01
6/30/2012	33,187,900	\$	202,547.03
7/31/2012	32,348,400	\$	225,551.57
8/31/2012	28,128,200	\$	205,309.81
9/28/2012	25,698,800	\$	188,209.69
10/31/2012	28,734,000	\$	206,178.56
TOTAL	341,428,120	\$	2,167,215.74

Sharon

From: "Danny Clarkston" <danny@cannonsburgwater.com>
To: "Sharon" <sharon@cannonsburgwater.com>
Sent: Tuesday, December 18, 2012 2:12 PM
Attach: ACKNOWLEDGEMENT OF RECEIPT.pdf; 2013 Tariff Page.pdf; 2013 Customer Notice.pdf; Signed PSC Cover Letter.pdf; Signed Letter to Cannonsburg.pdf
Subject: Fw: SPAM-MED: 2013 Water Rates

----- Original Message -----

From: [Ryan Eastwood](#)
To: [Clarkston, Danny](#)
Cc: 'Kandi Hale'
Sent: Friday, December 14, 2012 9:31 AM
Subject: SPAM-MED: 2013 Water Rates

Danny,

Here are the PSC documents for the CPI index rate increase for January 1. Please let me know if you have any questions. Thank you.

Ryan S. Eastwood, P.E., LEED® AP

Director of Engineering and Utilities

City of Ashland

P.O. Box 1839
1700 Greenup Avenue
Suite 408
Ashland, KY 41105

Phone: (606) 327-2008

Fax: (606) 327-2060

Email: reastwood@ashlandky.org



No virus found in this message.

Checked by AVG - www.avg.com

Version: 2012.0.2221 / Virus Database: 2634/5454 - Release Date: 12/12/12

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Ashland
A Proud Past. A Bright Future.

Engineering & Utilities

P.O. Box 1839
Ashland, KY 41105-1839

Phone: (606) 327-2008
Fax: (606) 327-2060

December 14, 2012

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RE: Wholesale Water Rate Adjustment for Cannonsburg Water District

Dear Mr. Derouen:

Please consider this official notice that the City of Ashland proposes to adjust its wholesale water rate for service provided to Cannonsburg Water District. Therefore the rate would increase from \$2.46 / thousand gallons to \$2.58 / thousand gallons. The change would become effective for all flow through the meter on or after January 1, 2013.

Enclosed is (1) a proposed tariff sheet with an effective date of January 1, 2013 and (2) a copy of the letter and notice to Cannonsburg Water District.

Please contact me should you have any questions regarding this filing.

Sincerely,
CITY OF ASHLAND KENTUCKY



Ryan S. Eastwood, P.E.
Director of Engineering and Utilities

Enclosure(s)

cc: File



Engineering & Utilities

P.O. Box 1839
Ashland, KY 41105-1839

Phone: (606) 327-2008
Fax: (606) 327-2060

December 14, 2012

Mr. Danny Clarkson
Manager
Cannonsburg Water District
1606 Cannonsburg Road
Ashland, KY 41102

RE: Wholesale Water Rate Adjustment for Cannonsburg Water District

Dear Mr. Clarkson:

The City of Ashland is proposing an increase in the rate to wholesale water purchasers. The increase from \$2.46 / thousand gallons to \$2.58 / thousand gallons becomes effective January 1, 2013 to all wholesale water purchasers from The City of Ashland including Cannonsburg Water District, therefore all water passing through the meter on or after January 1, 2013, shall be billed at the new rate.

Please respond indicating that you have received this letter. Please do not hesitate to contact me should you have any questions regarding this filing.

Sincerely;
CITY OF ASHLAND KENTUCKY

Ryan S. Eastwood, P.E.
Director of Engineering and Utilities

Enclosure(s)

cc: Public Service Commission
File

FOR Boyd County, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

2nd Revised SHEET NO. 1

City of Ashland, Kentucky
(Name of Municipal Utility)

CANCELLING P.S.C. KY. NO. 1

1st Revised SHEET NO. 1

RATES AND CHARGES

MONTHLY WHOLESALE WATER RATE:

Cannonsburg Water District

\$2.58 Per 1,000 Gallons

NOTE: This tariff revises the following prior rates:

- \$1.20 per 1,000 gallons effective on April 6, 1998.
- \$1.32 per 1,000 gallons effective on January 1, 2006.
- \$1.43 per 1,000 gallons effective on January 1, 2007.
- \$1.89 per 1,000 gallons effective on March 1, 2009.
- \$2.01 per 1,000 gallons effective on March 15, 2010.
- \$2.12 per 1,000 gallons effective on January 1, 2011.
- \$2.33 per 1,000 gallons effective on October 1, 2011.
- \$2.46 per 1,000 gallons effective on January 1, 2012.

DATE OF ISSUE December 14, 2012
Month / Date / Year

DATE EFFECTIVE January 1, 2013
Month / Date / Year

ISSUED BY Ryan S. Eastwood, P.E.
(Signature of Officer)

TITLE Director of Engineering and Utilities

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. N/A DATED N/A

NOTICE

The City of Ashland has filed a proposed rate schedule with the Public Service Commission which will increase the rate for water service provided as follows:

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>% Increase</u>
Cannonsburg Water District	\$2.46 per 1000 gallons	\$2.58 per 1000 gallons	4.7%

The proposed effective date is January 1, 2013. Water flowing through the meter(s) before the effective date will be charged at the current rate. Water flowing through the meter(s) on and after the effective date will be charged at the new proposed rate.

The rates contained in this notice are the rates proposed by the City of Ashland. However, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Any person who has been granted intervention by the Public Service Commission may obtain copies of the rate application and any other filings made by the utility by contacting Ryan S. Eastwood, P.E., City of Ashland, 1700 Greenup Avenue, Ashland, Kentucky 41105-1839; telephone 606-327-2008.

Any person may examine the rate application and other filings made by visiting the offices of the City of Ashland at 1700 Greenup Avenue in Ashland, Kentucky, or by contacting the Public Service Commission at 211 Sower Boulevard in Frankfort, Kentucky; telephone 502-564-3940.

Big Sandy Water District
18200 State Route 3
Catlettsburg, KY 41129
(606) 928-2075 or (800) 354-2933
Fax (606) 928-8454
bdistrict@windstream.net

August 29, 2012

Danny Clarkston
Cannonsburg Water District
1606 Cannonsburg Rd
Ashland, KY 41102

Re: Water Rate

Dear Danny,

We have been notified by Public Service Commission that our rate increase was approved on August 24, 2012. We will be increasing the per thousand cost from \$3.22 to \$4.65 beginning with the November 1, 2012 billing.

Sincerely,



James H. Blanton
Manager

