

RECEIVED

DEC 29 2014

PUBLIC SERVICE
COMMISSION

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

December 8, 2014

Mr. Jeff Derouen
Executive Director
Public Service Commission
PO Box 615
Frankfort, KY 40602

RE: PURCHASE WATER ADJUSTMENT Case No. 2014-00448

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 \$2.73 to \$2.83 1000 gallons. This change would come effective for all water that will pass through the meter on or after January 1, 2015.

Please contact me should you have any questions.

Sincerely,



Danny R. Clarkston
Manager

DRC/sph
enclosures

Case No. 2014-00448

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

RECEIVED

DEC 29 2014

PUBLIC SERVICE
COMMISSION

Name of Utility	CANNONSBURG WATER DISTRICT	
Date	DECEMBER 8, 2014	
Address	1606 CANNONSBURG ROAD	
City, State, Zip	ASHLAND, KY 41129	
Telephone Number	606-928-9808	
Email Address	sharon@cannonsburgwater.com	

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 ASHLAND	\$2.73	\$2.83
BIG SANDY WATER	\$4.80	\$4.80

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	NOVEMBER 2013	through	OCTOBER 2014
	(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.

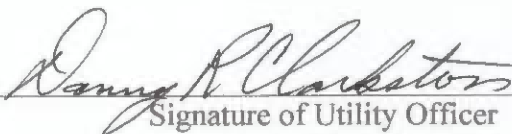
Supplier(s)	Gallons Purchased during 12 month period
CITY OF ASHLAND	418,400,000
BIG SANDY WATER	3,052,200
TOTAL PURCHASES	421,452,200
4. Total gallons sold for the 12 month period	
	292,531,700
5. Increased water cost	
	\$42,145.22
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Exhibit B	
6. Purchased water adjustment factor	
	.14
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 minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice.	
7. A schedule listing the current and proposed rates is attached as Exhibit	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit C	
9. Proposed effective date	
	JANUARY 1, 2015
 Signature of Utility Officer	
MANAGER	
Title	

Exhibit B



Engineering & Utilities

P.O. Box 1839
Ashland, KY 41105-1839
Phone: (606) 327-2008
Fax: (606) 327-2060

Exhibit A

November 24, 2014

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 \$2.73 / thousand gallons to \$2.83 / thousand gallons becomes effective January 1, 2015 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, 2015, 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

A handwritten signature in black ink, appearing to read "Ryan S. Eastwood", written over a white background.

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

Enclosure(s)

cc: Public Service Commission
File

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	\$2.73 per 1000 gallons	\$2.83 per 1000 gallons	3.6%

The proposed effective date is January 1, 2015. 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.

FOR Boyd County, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

2nd Revised SHEET NO. 1

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

1st Revised SHEET NO. 1

City of Ashland, Kentucky
(Name of Municipal Utility)

RATES AND CHARGES

MONTHLY WHOLESALE WATER RATE:

Cannonsburg Water District

\$2.83 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.

\$2.58 per 1,000 gallons effective on January 13, 2013

\$2.73 per 1,000 gallons effective on January 11, 2014

DATE OF ISSUE November 24, 2014
Month / Date / Year

DATE EFFECTIVE January 1, 2015
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



Engineering & Utilities

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

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

November 24, 2014

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 \$2.73 / thousand gallons to \$2.83 / thousand gallons. The change would become effective for all flow through the meter on or after January 1, 2015.

Enclosed is (1) a proposed tariff sheet with an effective date of January 1, 2015 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

CITY OF ASHLAND WATER PURCHASED			
<u>DATES</u>	<u>GALLONS</u>		<u>AMOUNT</u>
11/1/13 - 11/30/13	33,755,000	\$	87,087.90
12/1/13 - 12/31/13	30,408,000	\$	78,452.64
1/1/14 - 1/31/14	43,287,000	\$	118,173.51
2/2/14 - 2/28/14	40,774,000	\$	111,313.02
3/1/14 - 3/31/14	32,720,000	\$	89,325.60
4/1/14 - 4/30/14	33,672,000	\$	91,924.56
5/2/14 - 5/31/14	30,654,000	\$	83,685.42
6/1/14 - 6/30/14	36,169,000	\$	98,741.37
7/1/14 - 7/31/14	33,421,000	\$	91,239.33
8/2/14 - 8/31/14	37,293,000	\$	101,809.89
9/1/14 - 9/30/14	33,988,000	\$	92,787.24
10/2/14 - 10/31/14	32,259,000	\$	88,067.07
TOTAL	418,400,000	\$	1,132,607.55

BIG SANDY WATER DISTRICT WATER PURCHASED			
<u>DATES</u>	<u>GALLONS</u>		<u>AMOUNT</u>
11/5/13 - 12/5/13	139,400	\$	616.15
12/5/13 - 1/2/14	163,500	\$	722.67
1/2/14 - 2/3/14	364,800	\$	1,751.04
2/3/14 - 3/6/14	196,300	\$	952.06
3/6/14 - 4/1/14	209,100	\$	1,014.14
4/1/14 - 5/2/14	202,500	\$	982.13
5/2/12 - 6/2/14	214,500	\$	1,040.33
6/2/14 - 7/1/14	201,700	\$	978.25
7/1/14 - 8/1/14	199,100	\$	965.64
8/1/14 - 9/2/14	194,300	\$	942.36
9/2/14 - 10/1/14	777,100	\$	3,768.94
10/1/14 - 11/7/14	189,900	\$	911.32
TOTAL	3,052,200	\$	14,645.03

<u>BILLING DATES</u>	<u>GALLONS SOLD</u>		<u>AMOUNT</u>
11/1/13 - 11/30/13	20,200,400	\$	162,251.15
12/1/13 - 12/31/13	23,309,500	\$	179,564.69
1/1/14 - 1/31/14	26,216,500	\$	198,765.18
2/1/14 - 2/28/14	29,024,800	\$	222,503.01
3/1/14 - 3/31/14	24,407,400	\$	190,562.88
4/1/14 - 4/30/14	20,069,700	\$	164,982.52
5/1/14 - 5/31/14	26,422,100	\$	203,848.14
6/1/14 - 6/30/14	21,896,800	\$	179,142.62
7/1/14 - 7/31/14	29,598,300	\$	225,025.07
8/1/14 - 8/31/14	22,516,400	\$	180,996.78
9/1/14 - 9/30/14	28,149,800	\$	214,494.45
10/1/14 - 10/31/14	20,720,000	\$	169,361.54
TOTAL	292,531,700	\$	2,291,498.03

P.S.C. KY. NO. _____

Original 1 SHEET NO. _____

CANCELLING P.S.C. KY. NO. _____

CANNONSBURG WATER DISTRICT

_____ SHEET NO. _____

RATES AND CHARGES

5/8 x 3/4-Inch Meter

First	2,000 gallons	\$20.42 Minimum Bill
Next	3,000 gallons	7.99 per 1,000 gallons
Next	15,000 gallons	7.58 per 1,000 gallons
Next	30,000 gallons	7.16 per 1,000 gallons
Next	50,000 gallons	6.76 per 1,000 gallons
Over	100,000 gallons	6.32 per 1,000 gallons

1 - Inch Meter

First	5,000 gallons	\$44.39 Minimum Bill
Next	15,000 gallons	7.99 per 1,000 gallons
Next	30,000 gallons	7.58 per 1,000 gallons
Next	50,000 gallons	6.76 per 1,000 gallons
Over	100,000 gallons	6.32 per 1,000 gallons

2-Inch & 3-Inch Meter

First	20,000 gallons	\$162.59 Minimum Bill
Next	30,000 gallons	7.58 per 1,000 gallons
Next	50,000 gallons	6.76 per 1,000 gallons
Over	100,000 gallons	6.32 per 1,000 gallons

6-Inch Meter

First	50,000 gallons	\$377.39 Minimum Bill
Next	50,000 gallons	6.76 per 1,000 gallons
Over	100,000 gallons	6.32 per 1,000 gallons

12-Inch Meter

First	100,000 gallons	\$715.39 Minimum Bill
Over	100,000 gallons	6.32 per 1,000 gallons

Rates Based on Monthly Consumption and Calculated Per 100 Gallons

DATE OF ISSUE _____ DECEMBER 8, 2014
MONTH / DATE / YEAR

DATE EFFECTIVE _____ JANUARY 1, 2015
MONTH / DATE / YEAR

ISSUED BY *Danny R. Cludators*
(SIGNATURE OF OFFICER)

FOR CANNONSBURG WATER DISTRICT

P.S.C. KY. NO. _____

Original 1 SHEET NO. _____

CANCELLING P.S.C. KY. NO. _____

CANNONSBURG WATER DISTRICT

_____ SHEET NO. _____

RATES AND CHARGES

Leak Adjustment Rate

\$4.23 per 1,000 gallons

WHOLESALE WATER RATES

Big Sandy Water District

\$4.23 per 1,000 gallons

City of Greenup Co.

\$4.23 per 1,000 gallons

DATE OF ISSUE _____ DECEMBER 8, 2014 _____
MONTH / DATE / YEAR

DATE EFFECTIVE _____ JANUARY 1, 2015 _____
MONTH / DATE / YEAR

ISSUED BY *Wanda R. Clarkston*
(SIGNATURE OF OFFICER)

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

December 8, 2014

Jimmy Blanton
18200 St Rt 3
Catlettsburg, KY 41129

RE: Wholesale Water Rate Increase

Dear Jimmy:

The City of Ashland has notified us, that they are increasing our water rates from \$2.73 to \$2.83 per 1000 gallons. We will be increasing our wholesale rate from \$4.06 to \$4.20 per 1000 gallons. Therefore, upon approval from the Public Service Commission all water passing through the meter on or after January 1, 2015, shall be billed at the new rate. We are submitting this notice to the Kentucky Public Service Commission. A letter from the City of Ashland is enclosed.

Sincerely,



Danny Clarkston
Manager

Enclosures

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

December 8, 2014

Mayor
City of Greenup
1005 Walnut
Greenup, KY 41144

RE: Wholesale Water Rate Adjustment for City of Greenup

We have received notification that the City of Ashland will increase our water rate. We will be passing this increase to our customers. Based on our contract for your water use, we will be increasing the cost from \$4.06 to \$4.20 per 1000 gallon. Therefore, all water passing through the meter on or after January 1, 2015 shall be billed at the new rate. We are submitting this notice simultaneously to the Kentucky Public Service Commission.

Enclosed is a copy of the letter from the City of Ashland.

Sincerely,



Danny R. Clarkston
Manager

DRC/sph
enclosures

CANNONSBURG WATER DISTRICT

1606 Cannonsburg Road

Ashland, KY 41102

606-928-9808 or fax 606-928-4788

Cannonsburg Water District is an Equal Opportunity Employer and Provider

Cannonsburg Water District held its Monthly Commissioners Meeting on Wednesday, December 18, 2014, at the District office located at 1606 Cannonsburg Road, Ashland, KY 41102.

Those in attendance were:

Danny Clarkston, Manager
Robert McGuire, Chairman
Harold Waggoner, Secretary
Sue Reed, Treasurer
Frank Nelson, Commissioner
Pam Vanhoose, Commissioner

Sharon Hambrick, Recorder

Visitors: Ed Radjunas

Meeting called to order at 11:00am by Robert McGuire.

MINUTES -

*Motion was made by Frank Nelson that the Minutes from the November 19, 2014 meeting be approved as stated. Seconded by Harold Waggoner. Motion carried.

TREASURERS REPORT -

*Motion was made by Pam Vanhoose that the Treasurers Report from the November 19, 2014 meeting be approved as presented. Seconded by Sue Reed. Motion carried.

ASHLAND RATE INCREASE -

*Motion was made by Harold Waggoner to accept the rate increase imposed by the City of Ashland if accepted by the Public Service Commission and to apply to the Public Service Commission for a Purchase Water Adjustment. Rate would go into effect for all water passing thru meter as of January 1, 2016. Seconded by Frank Nelson. Motion carried.

UNCOLLECTIBLE ACCOUNTS -

*Motion was made by Pam Vanhoose to Adjust off the uncollectible accounts totaling \$9,573.58. Seconded by Harold Waggoner. Motion carried.

2015 BUDGET-

*Motion was made by Frank Nelson to approve the 2015 Budget. Seconded by Sue Reed. Motion carried.

2015 HOLIDAY SCHEDULE-

*Motion was made by Frank Nelson to approve the 2015 Holiday schedule. Seconded by Sue Ree. Motion carried.

DISCUSSION: RURAL DEVELOPMENT LOAN

Danny informed the Commission of the progress of the Rural Development loan. We are waiting for the approval of the Division of Water then Rural Development will come in to have final papers signed.

DISCUSSION: SURCHARGE

Danny informed the Commission that all in line and by pass meters are installed. We are getting ready to bid on the 250 service line replacements for material and labor very soon.

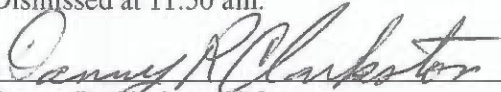
DISCUSSION: FIRE HYDRANT REPAIR

Danny informed the Commission that he was in contact with the Fire Department to repair the fire hydrants that are in need of repair. We have contacted different companies and seems that no one wants to repair them they want to to replace them with new ones. We could repair them ourselves, but we just do not have the time or manpower.

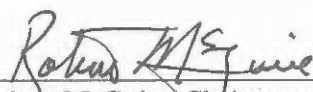
Danny asked Mr. Radjunas if he had anything to say. Mr. Radjunas as of January 5, 2015 will become the Deputy Judge Executive for Steve Towler (incoming Executive Judge for January 2015). Mr. Radjunas said that the new judge will take a strong interest in Cannonsburg Water District and hope to continue to have an open door policy as we have had in the past with the County. He said that they will need help from us as well as the other business' in the county. He thanked us for our time and courtesy we shown him.

Next meeting will be January 28, 2015.

All minds at rest, Motion to adjourn by Harold Waggoner. Seconded by Frank Nelson. Motion carried.
Dismissed at 11:50 am.



Danny R. Clarkston, Manager



Robert McGuire, Chairman

cc: file, DRC/sh

Exhibit C