

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF BIG SANDY WATER) CASE NO. 2010-00483
DISTRICT)

ORDER

On December 8, 2010, Big Sandy Water District (“Big Sandy”) applied for approval to adjust its rates commensurate with an increase in rates by the Cannonsburg Water District (“Cannonsburg”), pursuant to the purchased water adjustment procedure.¹ On December 28, 2010, Big Sandy filed a request to amend the application to account for a decrease in rates by the city of Kenova, West Virginia (“Kenova”).

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Big Sandy purchases water from Cannonsburg, Kenova, the city of Louisa (“Louisa”), and Rattlesnake Ridge Water District (“Rattlesnake Ridge”).
2. Cannonsburg raised its wholesale rate to Big Sandy, effective January 1, 2011, from \$2.50 per 1,000 gallons to \$2.66 per 1,000 gallons.
3. Kenova decreased its wholesale rate to Big Sandy, effective November 19, 2010, from \$1.89 per 1,000 gallons to \$1.79 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

4. Big Sandy proposed a purchased water adjustment factor of \$0.03 per 1,000 gallons.²

5. Big Sandy proposed an effective date of January 1, 2011.

6. During the 12 months ending November 30, 2010, Big Sandy purchased 82,650,100 gallons of water from Louisa, 227,589,000 gallons of water from Kenova, 4,694,630 gallons of water from Rattlesnake Ridge, and 51,200,700 gallons of water from Cannonsburg, and sold 295,760,400 gallons of water. The decrease in the cost of purchased water is (\$14,567), resulting in a purchased water adjustment factor of (\$0.05) per 1,000 gallons.

7. The purchased water adjustment factor of (\$0.05) per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Big Sandy are denied.


2. The purchased water adjustment factor of (\$0.05) per 1,000 gallons as calculated in Appendix A is approved.

3. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services on or after January 1, 2011.

4. Within 20 days of the date of this Order, Big Sandy shall file revised tariff sheets with the Commission showing the rates approved herein.

² Big Sandy did not revise its proposed factor based on the December 28, 2010 amended application.

By the Commission

ENTERED 
JAN 10 2011
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00483 DATED JAN 10 2011

	Base Rate	New Rate
Louisa	no change	
Rattlesnake Ridge	no change	
Kenova		
Purchases in gallons	227,589,000	227,589,000
Volumetric rate	<u>\$1.89/1,000</u>	<u>\$1.79/1,000</u>
	\$430,143.21	\$407,384.31
Cannonsburg		
Purchases in gallons	51,200,700	51,200,700
Volumetric rate	<u>\$ 2.50 /1,000</u>	<u>\$ 2.66/1,000</u>
	\$128,001.75	\$ 136,193.86
	Decreased water cost	(\$14,566.79)
Decreased water cost		(\$14,556.79)
Divided by gallons sold		<u>295,760,400</u>
Purchased water adjustment factor		(\$0.05) per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00483 DATED JAN 10 2011

The following rates and charges are prescribed for the customers in the area served by Big Sandy Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8 x 3/4-Inch Meter

First	2,000 gallons	\$17.20	Minimum Bill
Next	8,000 gallons	6.70	per 1,000 gallons
Next	20,000 gallons	5.57	per 1,000 gallons
Next	20,000 gallons	4.81	per 1,000 gallons
Over	50,000 gallons	4.05	per 1,000 gallons

1-Inch Meter

First	10,000 gallons	\$70.80	Minimum Bill
Next	20,000 gallons	5.57	per 1,000 gallons
Next	20,000 gallons	4.81	per 1,000 gallons
Over	50,000 gallons	4.05	per 1,000 gallons

1 1/2-Inch Meter

First	30,000 gallons	\$182.20	Minimum Bill
Next	20,000 gallons	4.81	per 1,000 gallons
Over	50,000 gallons	4.05	per 1,000 gallons

2-Inch Meter

First	50,000 gallons	\$278.40	Minimum Bill
Over	50,000 gallons	4.05	per 1,000 gallons

3-Inch Meter

First	100,000 gallons	\$480.90	Minimum Bill
Over	100,000 gallons	4.05	per 1,000 gallons

4-Inch Meter

First	200,000 gallons	\$885.90	Minimum Bill
Over	200,000 gallons	4.05	per 1,000 gallons

Wholesale volumetric rate
Overland Development Inc.

\$1.78 per 1,000 gallons

Cannonsburg Water District

\$2.44 per 1,000 gallons

Mr. Jimmy Blanton
Superintendent
Big Sandy Water District
18200 Kentucky Route #3
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