

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

September 12, 2011

RECEIVED

SEP 13 2011

**PUBLIC SERVICE
COMMISSION**

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

Dear Mr. Derouen

Big Sandy Water District has experienced a rate increase from one of our suppliers, Cannonsburg Water District, and we are asking approval to increase rates through the Purchase Water Adjustment (807 KAR 5:068) to our customers. As you can see from Exhibit D, we changed from \$2.66 per thousand to \$2.94 per thousand. A notice to our customers will be published in the Daily Independent. Our total expenses and revenue have been furnished to the PSC in our annual report. Enclosed are the original and ten copies of the applications, exhibits, and new tariff sheets. If you have any questions, please call (606) 928-2075.

Sincerely,



James H. Blanton
Manager

jb/tb

Purchased Water Adjustments for
Water District and Associations
(807KAR 5:068)

Big Sandy Water District
(Name of Utility)

September 12, 2011
(Date)

18200 State Route 3
(Address)

Catlettsburg, KY 41129
(City, State, Zip)

(606) 928-2075
(Telephone Number)

RECEIVED

SEP 13 2011

PUBLIC SERVICE
COMMISSION

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
<u>City of Kenova</u>	<u>Exhibit A \$1.79</u>	<u>Same</u>
<u>City of Louisa</u>	<u>Exhibit B \$2.55</u>	<u>Same</u>
<u>Rattlesnake Ridge Water District</u>	<u>Exhibit C-\$2.96</u>	<u>Same</u>
<u>Cannonsburg Water District</u>	<u>Exhibit D-\$2.66</u>	<u>\$2.94</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 D.
2. Twelve-month period upon which the purchase water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From August 2010 through July 2011
(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 rates schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
<u>City of Louisa</u>	<u>89,731,100</u>
<u>City of Kenova</u>	<u>221,169,000</u>
<u>Rattlesnake Ridge Water District</u>	<u>5,453,480</u>
<u>Cannonsburg Water District</u>	<u>51,844,700</u>
Total Purchases	<u>368,198,280</u>
4. Total sales for the 12 month period	<u>273,867,100</u>

5. Increased water cost \$14,516.51

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

6. Purchased water adjustment factor .05 cents/thousand.

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 subtracted 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 dated October 1, 2011.


(Signature of Utility Officer)
Manager
(Title)

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

September 12, 2011

Jimmy Taylor
Overland Development Co
18211 Valleyview Ct
Catlettsburg, KY 41129

Re: Water Rate

Dear Jimmy,

We have been notified by one of our suppliers, Cannonsburg Water District, that they are increasing our water rates by .28 cents per thousand gallons. We will be passing this increase to our customers. Based on our contract for your water use, we will be increasing the per thousand cost from \$1.78 to \$1.83 beginning with December 1, 2011 billing. The base amount of \$545.75 will remain same. We are submitting this notice simultaneously to the Kentucky Public Service Commission.

Enclosed is a copy of our documents from Cannonsburg Water District.

Sincerely,



James H. Blanton
Manager

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

September 12, 2011

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

Re: Water Rate

Dear Danny,

We have been notified by one of our water suppliers, Cannonsburg Water District, that they are increasing our water rates by .28 cents per thousand gallons. We will be passing this increase to our customers. Based on our contract for your water use, we will be increasing the per thousand cost from \$2.44 to \$2.49 beginning with December 1, 2011 billing. We are submitting this notice simultaneously to the Kentucky Public Service Commission.

Enclosed is a copy of our letter from Cannonsburg Water District.

Sincerely,



James H. Blanton
Manager

AMENDMENT TO WATER PURCHASE CONTRACT

This Amendment to Water Purchase Contract, effective December 4, 2009, is entered into by and between the City of Kenova, West Virginia, a municipal corporation ("Kenova"), and the Big Sandy Water District ("Big Sandy").

1. WHEREAS, Kenova and Big Sandy entered into a Water Purchase Contract on or about February 22, 1982, which Contract has subsequently been amended from time to time;

2. WHEREAS, pursuant to Commission Order dated December 4, 2009, the West Virginia Public Service Commission required Kenova and Big Sandy to amend certain terms of that Water Purchase Contract and directed that these amendments supercede and replace all conflicting provisions of the original Water Purchase Contract and the subsequent amendments and addendums thereto;

NOW THEREFORE, in consideration of the foregoing, the parties agree to amend the said Water Purchase Contract as follows:

1. Kenova agrees to supply, to the best of its ability, the water required by Big Sandy for which Kenova will charge a flat rate of \$1.79 per 1,000 gallons of water, which Big Sandy agrees to pay until changed by agreement of the parties with approval by the Public Service Commission;

2. Big Sandy further agrees to purchase a minimum of 8 million gallons per month or make minimum payments based upon such minimum value at the rate of \$1.79 per 1,000 gallons of water;

3. Paragraph 13 is stricken from the Water Purchase Contract; and

All remaining terms and provisions of the original Water Purchase Contract and its subsequent addendums and amendments shall remain in full force and effect.

IN WITNESS WHEREOF, the parties, acting under authority of their respective governing bodies, have caused this Amendment to be duly executed this 18 day of January, 2010.

Attest: Linda F. Myles

Seller: City of Kenova
By: Rickey W. Griffith
Rickey W. Griffith
Its Mayor

Attest: Dain Sahib Secretary
B S W.

Buyer: Big Sandy Water District
By: Paul E. Thomas
Its: Chairman

For Big Sandy Water District
Catlettsburg , KY 41129

P.S.C. NO. _____

6th revision SHEET NO. _____ 1

City of Louisa, Kentucky
Water and Sewer Commission

CANCELLING P.S.C. NO. _____

5th revised SHEET NO. ONE

CLASSIFICATION OF SERVICE

	RATE PER UNIT
Wholesale rate to Big Sandy Water District; per 1,000 gallons	\$2.55

DATE OF ISSUE April 7, 2011

DATE EFFECTIVE June 1, 2011

ISSUED BY City of Louisa

TITLE Mayor

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

WATER PURCHASE CONTRACT

THIS CONTRACT FOR THE SALE AND PURCHASE OF WATER is made and entered into this the 16 day of August, 2010, by and between THE RATTLESNAKE RIDGE WATER DISTRICT, a water district created and existing under the Laws of the Commonwealth of Kentucky, hereinafter referred to as "Seller", and the BIG SANDY WATER DISTRICT, a municipality, hereinafter referred to as "Purchaser";

WITNESSETH:

In consideration of the mutual agreements herein and contingent upon approval by Commonwealth of Kentucky Public Service Commission and the United States Department of Agriculture Rural Development:

1. Seller agrees to furnish the Purchaser, at the point of delivery hereinafter specified, during the term of this Contract, potable, treated water at times and in quantities to be determined in Seller's sole and absolute discretion.
2. The water made available under this Agreement is only for use by retail customers of the Purchaser and may not be sold on a wholesale basis to any other utility.
3. Seller has no obligation to furnish satisfactory quantity or pressure for any purpose.
4. The Purchaser will keep Seller advised of all significant events which are likely to significantly affect the Purchaser's level of water purchased from the Seller.
5. The Master Meter(s) shall be read on the 15th day of each month. The Purchaser has the right to be present at each reading. The Purchaser shall pay the rate of \$2.96 per 1,000 gallons (plus any taxes, fees, etc., which are required by law) to which payment is to be received by the 10th of the following month.

IN TESTIMONY WHEREOF, the parties hereto have caused this Agreement to be executed by its duly authorized officers, on this the day and date first above written.

THE RATTLESNAKE RIDGE WATER DISTRICT



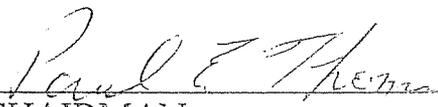
CHAIRMAN

ATTEST:



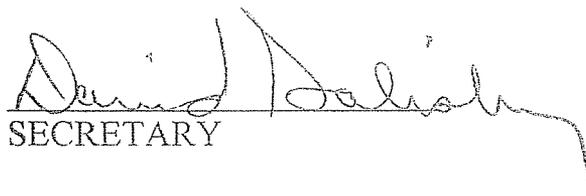
SECRETARY

BIG SANDY WATER DISTRICT



CHAIRMAN

ATTEST:



SECRETARY

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

August 26, 2011

Mr. Jimmy Blanton
Big Sandy Water District
18200 St. Rt 3
Catlettsburg, KY 41129

RE: Rate Increase

Dear Jimmy;

The City of Ashland has notified us, that they are increasing our water rates from \$2.12 to \$2.33 per 1000 gallons. We will be increasing our wholesale rate from \$2.66 to \$2.94 per 1000 gallons. Therefore, all water passing through the meter on or after October 1, 2011, 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 R. Clarkston
Manager

Enclosure

Form for filing Rate Schedules

For Portions of Boyd, Carter, Johnson & Lawrence Co.
Community, Town, or City

P.S.C. KY. NO. 1

Big Sandy Water District
Name of Issuing Corporation

18th Revised
Cancelling P.S.C. KY NO.

Sheet No. 1
1

17th Revised

Sheet No. 1

Classification of Service

Rate
Per Unit

Residential Consumers

5/8 Inch x 3/4 Inch Meter

First	2,000 Gallons	(Minimum Bill)	\$17.30
Next	8,000 Gallons	per 1,000 Gallons	6.75
Next	20,000 Gallons	per 1,000 Gallons	5.62
Next	20,000 Gallons	per 1,000 Gallons	4.86
Over	50,000 Gallons	per 1,000 Gallons	4.10

Rates based on monthly consumption and calculated per 100 gallons

\$835.00 Connection Fee

Date of Issue _____

Date Effective 10/01/11

Issued By Paul E. Thomas
Signature of Officer

Title Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ dated _____.

Form for filing Rate Schedules

For Portions of Boyd, Carter, Johnson & Lawrence Co.
Community, Town, or City

P.S.C. KY. NO. 1

Big Sandy Water District
Name of Issuing Corporation

17th Revised
Cancelling P.S.C. KY NO.

Sheet No. 2
1

16th Revised

Sheet No. 2

Classification of Service

Rate
Per Unit

Commercial Consumers

1 Inch Meter

First	10,000 Gallons	(Minimum Bill)	\$71.30
Next	20,000 Gallons	per 1,000 Gallons	5.62
Next	20,000 Gallons	per 1,000 Gallons	4.86
Over	50,000 Gallons	per 1,000 Gallons	4.10

Rates based on monthly consumption and calculated per 100 gallons

Connection Fee shall be actual cost of installation

Date of Issue _____

Date Effective 10/01/11

Issued By Paul E. Thomas
Signature of Officer

Title Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ dated _____.

Form for filing Rate Schedules

For Portions of Boyd, Carter, Johnson & Lawrence Co.
Community, Town, or City

P.S.C. KY. NO. 1

Big Sandy Water District
Name of Issuing Corporation

15th Revised
Cancelling P.S.C. KY NO.

Sheet No. 3
1

14th Revised

Sheet No. 3

Classification of Service

Rate
Per Unit

Commercial Consumers

1 1/2 Inch Meter

First	30,000 Gallons	(Minimum Bill)	\$183.70
Next	20,000 Gallons	per 1,000 Gallons	4.86
Over	50,000 Gallons	per 1,000 Gallons	4.10

Rates based on monthly consumption and calculated per 100 gallons

Connection Fee shall be actual cost of installation

Date of Issue _____

Date Effective 10/01/11

Issued By Paul E. Thomas
Signature of Officer

Title Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ dated _____.

Form for filing Rate Schedules

For Portions of Boyd, Carter, Johnson & Lawrence Co.
Community, Town, or City

P.S.C. KY. NO. 1

Big Sandy Water District
Name of Issuing Corporation

15th Revised
Cancelling P.S.C. KY NO.

Sheet No. 4
1

14th Revised

Sheet No. 4

Classification of Service

Rate
Per Unit

Commercial Consumers

2 Inch Meter

First	50,000 Gallons	(Minimum Bill)	\$280.90
Over	50,000 Gallons	per 1,000 Gallons	4.10

Rates based on monthly consumption and calculated per 100 gallons

Connection Fee shall be actual cost of installation

Date of Issue _____

Date Effective 10/01/11

Issued By Paul E. Thomas
Signature of Officer

Title Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ dated _____.

Form for filing Rate Schedules

For Portions of Boyd, Carter, Johnson & Lawrence Co.
Community, Town, or City

P.S.C. KY. NO. 1

Big Sandy Water District
Name of Issuing Corporation

15th Revised
Cancelling P.S.C. KY NO.

Sheet No. 5
1

14th Revised

Sheet No. 5

Classification of Service

Rate
Per Unit

Commercial Consumers

3 Inch Meter

First	100,000 Gallons	(Minimum Bill)	\$485.90
Over	100,000 Gallons	per 1,000 Gallons	4.10

Rates based on monthly consumption and calculated per 100 gallons

Connection Fee shall be actual cost of installation

Date of Issue _____
Issued By Paul S. Thomas
Signature of Officer

Date Effective 10/01/11
Title Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ dated _____.

Form for filing Rate Schedules

For Portions of Boyd, Carter, Johnson & Lawrence Co.
Community, Town, or City

P.S.C. KY. NO. 1

Big Sandy Water District
Name of Issuing Corporation

15th Revised
Cancelling P.S.C. KY NO.

Sheet No. 6
1

14th Revised

Sheet No. 6

Classification of Service

Rate
Per Unit

Commercial Consumers

4 Inch Meter

First	200,000 Gallons	(Minimum Bill)	\$895.90
Over	200,000 Gallons	per 1,000 Gallons	4.10

Rates based on monthly consumption and calculated per 100 gallons

Connection Fee shall be actual cost of installation

Date of Issue _____

Date Effective 10/01/11

Issued By Paul S. Thomas
Signature of Officer

Title Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ dated _____.

Form for filing Rate Schedules

For Portions of Boyd, Carter, Johnson & Lawrence Co.
Community, Town, or City

P.S.C. KY. NO. 1

Big Sandy Water District
Name of Issuing Corporation

7th Revised
Cancelling P.S.C. KY NO.

Sheet No. 8
1

6th Revised

Sheet No. 8

Classification of Service

Rate
Per Unit

Wholesale Consumer

Wholesale rate to Overland Development will be monthly service charge of \$545.75, plus \$1.83 per thousand gallons

Rates based on monthly consumption and calculated per 100 gallons

Date of Issue _____

Date Effective 10/01/11

Issued By

Paul E. Thomas
Signature of Officer

Title

Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ dated _____.

Form for filing Rate Schedules

For Portions of Boyd, Carter, Johnson & Lawrence Co.
Community, Town, or City

P.S.C. KY. NO. 1

Big Sandy Water District
Name of Issuing Corporation

7th Revised
Cancelling P.S.C. KY NO.

Sheet No. 8
1

6th Revised

Sheet No. 8

Classification of Service

Rate
Per Unit

Wholesale Consumer

Wholesale rate to Cannonsburg Water District will be \$2.49 per thousand gallons on all meters.

Rates based on monthly consumption and calculated per 100 gallons

Date of Issue _____

Date Effective 10/01/11

Issued By

Paul E. Thomas

Title

Chairman

Signature of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ dated _____.

Cannonsburg				Rattlesnake Ridge			
Year	Month	Dollar Amount of Monthly Bill	Number of Gallons Purchased	Year	Month	Dollar Amount of Monthly Bill	Number of Gallons Purchased
2010	AUG	\$ 12,266.00	4,906,400	2010	AUG	\$ 1,101.44	247,090
2010	SEPT	\$ 8,825.25	3,530,100	2010	SEPT	\$ 1,843.60	497,090
2010	OCT	\$ 10,302.00	4,120,800	2010	OCT	\$ 1,021.79	345,200
2010	NOV	\$ 11,716.75	4,686,700	2010	NOV	\$ 1,091.94	368,900
2010	DEC	\$ 9,039.00	3,615,600	2010	DEC	\$ 1,547.49	522,800
2011	JAN	\$ 13,568.75	5,427,500	2011	JAN	\$ 1,335.26	451,100
2011	FEB	\$ 11,056.29	4,156,500	2011	FEB	\$ 1,223.66	413,400
2011	MAR	\$ 10,297.13	3,871,100	2011	MAR	\$ 1,324.90	447,600
2011	APR	\$ 6,583.50	2,475,000	2011	APR	\$ 1,295.59	437,700
2011	MAY	\$ 13,807.00	5,190,600	2011	MAY	\$ 1,583.01	534,800
2011	JUN	\$ 13,628.51	5,123,500	2011	JUN	\$ 1,779.85	601,300
2011	JUL	\$ 12,610.79	4,740,900	2011	JUL	\$ 1,736.04	586,500
	12 month total	\$ 133,700.97	51,844,700		12 month total	\$ 16,884.57	5,453,480
Kenova				Louisa			
Year	Month	Dollar Amount of Monthly Bill	Number of Gallons Purchased	Year	Month	Dollar Amount of Monthly Bill	Number of Gallons Purchased
2010	AUG	\$ 40,548.06	21,454,000	2010	AUG	\$ 20,116.90	8,177,600
2010	SEPT	\$ 33,322.64	18,616,000	2010	SEPT	\$ 19,144.45	7,782,300
2010	OCT	\$ 35,565.51	19,869,000	2010	OCT	\$ 17,994.16	7,314,700
2010	NOV	\$ 29,321.99	16,381,000	2010	NOV	\$ 17,541.53	7,090,700
2010	DEC	\$ 39,501.72	22,068,000	2010	DEC	\$ 18,563.20	7,405,400
2011	JAN	\$ 30,967.00	17,300,000	2011	JAN	\$ 25,095.67	9,958,600
2011	FEB	\$ 28,115.53	15,707,000	2011	FEB	\$ 15,534.54	6,164,500
2011	MAR	\$ 31,618.56	17,664,000	2011	MAR	\$ 16,810.15	6,670,700
2011	APR	\$ 30,184.77	16,863,000	2011	APR	\$ 16,523.64	6,557,000
2011	MAY	\$ 33,430.04	18,676,000	2011	MAY	\$ 18,107.20	7,185,400
2011	JUN	\$ 32,724.78	18,282,000	2011	JUN	\$ 19,275.30	7,558,900
2011	JUL	\$ 32,737.31	18,289,000	2011	JUL	\$ 20,056.54	7,865,300
	12 month total	\$ 398,037.91	221,169,000		12 month total	\$ 224,763.28	89,731,100

Appendix A

Appendix to an order of the Kentucky Public Service
Commission in Case No. Dated

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

Monthly Water Rates

5/8 x 3/4 Inch Meter

First	2,000	\$ 17.30 Minimum Bill
Next	8,000	6.75 Per 1,000 Gallons
Next	20,000	5.62 Per 1,000 Gallons
Next	20,000	4.86 Per 1,000 Gallons
Over	50,000	4.10 Per 1,000 Gallons

1 Inch Meter

First	10,000	\$ 71.30 Minimum Bill
Next	20,000	5.62 Per 1,000 Gallons
Next	20,000	4.86 Per 1,000 Gallons
Over	50,000	4.10 Per 1,000 Gallons

1 1/2 Inch Meter

First	30,000	\$183.70 Minimum Bill
Next	20,000	4.86 Per 1,000 Gallons
Over	50,000	4.10 Per 1,000 Gallons

2 Inch Meter

First	50,000	\$280.90 Minimum Bill
Over	50,000	4.10 Per 1,000 Gallons

3 Inch Meter

First	100,000	\$485.90 Minimum Bill
Over	100,000	4.10 Per 1,000 Gallons

4 Inch Meter

First	200,000	\$895.90 Minimum Bill
Over	200,000	4.10 Per 1,000 Gallons

Notice to all Big Sandy Water District Customers. Due to a rate increase from one of our suppliers, the following rates and charges are prescribed for customers of the Big Sandy Water District. All other rates and charges not specifically shall remain the same as those in effect under authority of commission prior to the effective date of this order.

Monthly Water Rates

5/8 x 3/4 Inch Meter		Rate
First	2,000	\$ 17.30 Minimum Bill
Next	8,000	6.75 Per 1,000 Gallons
Next	20,000	5.62 Per 1,000 Gallons
Next	20,000	4.86 Per 1,000 Gallons
Over	50,000	4.10 Per 1,000 Gallons
1 Inch Meter		
First	10,000	\$ 71.30 Minimum Bill
Next	20,000	5.62 Per 1,000 Gallons
Next	20,000	4.86 Per 1,000 Gallons
Over	50,000	4.10 Per 1,000 Gallons
1 1/2 Inch Meter		
First	30,000	\$183.70 Minimum Bill
Next	20,000	4.86 Per 1,000 Gallons
Over	50,000	4.10 Per 1,000 Gallons
2 Inch Meter		
First	50,000	\$280.90 Minimum Bill
Over	50,000	4.10 Per 1,000 Gallons
3 Inch Meter		
First	100,000	\$485.90 Minimum Bill
Over	100,000	4.10 Per 1,000 Gallons
4 Inch Meter		
First	200,000	\$895.90 Minimum Bill
Over	200,000	4.10 Per 1,000 Gallons
<u>Wholesale Rate</u>		
Cannonsburg Water District		\$ 2.49 Per 1,000 Gallons
Overland Development		\$545.75 Monthly Service Charge, plus \$1.83 per 1,000 Gallons