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Commonwealth of Kentucky  
**Public Service Commission**  
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David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

Linda Breathitt  
Commissioner

November 19, 2013

Honorable W. Randall Jones  
Rubin & Hays  
Kentucky Home Trust Building  
450 South Third Street  
Louisville, KY 40202

RE: Case No. 2013-00400  
Big Sandy Water District

The Commission staff has reviewed Big Sandy Water District's application in the above case and finds that it met the minimum filing requirements on November 13, 2013 and has been accepted for filing.

Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502-564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Linda Faulkner".

Linda Faulkner  
Filings Division Director

LF/ke

**FILED**  
**NOV 13 2013**  
**PUBLIC SERVICE COMMISSION**

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**RECEIVED**  
**NOV 13 2013**  
**PUBLIC SERVICE COMMISSION**

In the Matter of:

**THE APPLICATION OF THE BIG SANDY )  
WATER DISTRICT FOR A )  
CERTIFICATE OF PUBLIC CONVENIENCE )  
AND NECESSITY TO CONSTRUCT, FINANCE AND )  
INCREASE RATES PURSUANT TO KRS 278.023 )**

Case No. 2013-00400

**APPLICATION**

This Application of the Big Sandy Water District ("Applicant"), respectfully shows:

1. That Applicant is a water district created and existing under and by virtue of Chapter 74 of the Kentucky Revised Statutes.

2. That the post office address of Applicant is:

Big Sandy Water District  
c/o Mr. Paul Thomas, Chairman  
18200 State Route 3  
Catlettsburg, Kentucky 41129  
email address: [bdistrict@windstream.net](mailto:bdistrict@windstream.net)

3. That Applicant, pursuant to the provisions of KRS 278.023, seeks (i) a Certificate of Public Convenience and Necessity, permitting Applicant to construct a water system improvement project (the "Project"); (ii) an Order approving increased water rates; and (iii) approval of the proposed plan of financing said Project.

4. That the Project consists of the construction and/or installation of (i) approximately 5 miles of 10 inch waterline and appurtenances; and (ii) a 700 GPM pump station. This Project will provide Applicant with a second main source of potable water.

5. That Applicant proposes to finance the construction of the Project through (i) the issuance of \$1,165,000 of its Waterworks Revenue Bonds, consisting of \$1,050,000 of Series A Bonds and \$115,000 of Series B Bonds; (ii) USDA, Rural Development ("RD") grants in the aggregate amount of \$440,000; and (iii) Kentucky Infrastructure Authority grants in the aggregate amount of \$525,000. Applicant has a commitment from RD to purchase said (i) \$1,050,000 of Series A Bonds maturing over a 40-year period, at an interest rate not to exceed 2.75% per annum and (ii) \$115,000 of Series B Bonds maturing over a 40-year period, at an interest rate not to exceed 3.75% per annum, all as set out in the RD Letter of Conditions, as amended, filed herewith as an Exhibit.