

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

December 9, 2013

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

RECEIVED

DEC 26 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 \$2.58 to \$2.73 1000 gallons. This change would come effective for all water that will pass through the meter on or after January 1, 2014.

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 9, 2013**

**1606 Cannonsburg Road**

**Ashland, KY 41102**

**606-928-9808**

- 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>City of Ashland</u>	<u>\$2.58</u>	<u>\$2.73</u>
<u>Big Sandy Water</u>	<u>\$4.42</u>	<u>\$4.42</u>

- 1.b. A copy of the supplier's notice of the change 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 2012      through:      October 2013
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
<u>City of Ashland</u>	407,120,000
<u>Big Sandy Water</u>	2,352,000
<b><u>TOTAL PURCHASES</u></b>	<b>409,472,000</b>

- |    |  |              |
|----|--|--------------|
| 4. | Total gallons sold for the 12-month period | 278,486,000  |
| 5. | Increased water cost                       | \$ 61,420.80 |

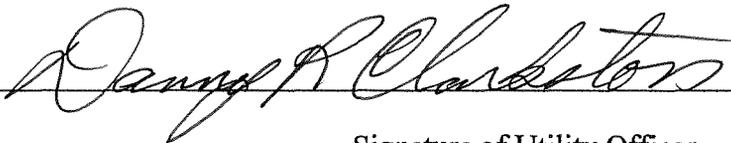
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.

- |    |                                   |     |
|----|-----------------------------------|-----|
| 6. | Purchased water adjustment factor | .22 |
|----|-----------------------------------|-----|

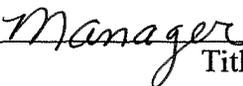
The purchased water adjustment factor is obtained by dividing the increase cost of water by the total gallons sold.

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 increase rates.

- |    |                         |                 |
|----|-------------------------|-----------------|
| 7. | Proposed effective date | January 1, 2014 |
|----|-------------------------|-----------------|



Signature of Utility Officer

  
Title

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

**5/8 x 3/4-Inch Meter**

First	2,000 gallons	\$20.28 Minimum Bill
Next	3,000 gallons	7.85 per 1,000 gallons
Next	15,000 gallons	7.44 per 1,000 gallons
Next	30,000 gallons	7.02 per 1,000 gallons
Next	50,000 gallons	6.62 per 1,000 gallons
Over	100,000 gallons	6.18 per 1,000 gallons

**1 - Inch Meter**

First	5,000 gallons	\$43.83 Minimum Bill
Next	15,000 gallons	7.44 per 1,000 gallons
Next	30,000 gallons	7.02 per 1,000 gallons
Next	50,000 gallons	6.62 per 1,000 gallons
Over	100,000 gallons	6.18 per 1,000 gallons

**2-Inch & 3-Inch Meter**

First	20,000 gallons	\$155.43 Minimum Bill
Next	30,000 gallons	7.02 per 1,000 gallons
Next	50,000 gallons	6.62 per 1,000 gallons
Over	100,000 gallons	6.18 per 1,000 gallons

**6-Inch Meter**

First	50,000 gallons	\$366.03 Minimum Bill
Next	50,000 gallons	6.62 per 1,000 gallons
Over	100,000 gallons	6.18 per 1,000 gallons

**12-Inch Meter**

First	100,000 gallons	\$697.03 Minimum Bill
Over	100,000 gallons	6.18 per 1,000 gallons

Rates Based on Monthly Consumption and Calculated Per 100 Gallons

DATE OF ISSUE DECEMBER 9, 2013  
MONTH / DATE. / YEAR

DATE EFFECTIVE JANUARY 1, 2014  
MONTH / DATE / YEAR

ISSUED BY   
(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 \$4.06 per 1,000 gallons

**WHOLESALE WATER RATES**

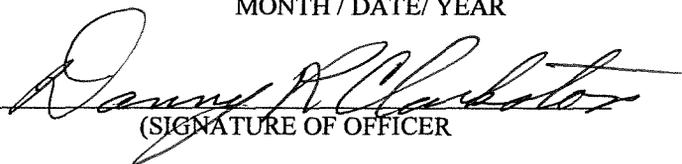
Big Sandy Water District \$4.06 per 1,000 gallons

City of Greenup Co. \$4.06 per 1,000 gallons

---

DATE OF ISSUE DECEMBER 9, 2013  
MONTH / DATE / YEAR

DATE EFFECTIVE JANUARY 1, 2014  
MONTH / DATE / YEAR

ISSUED BY   
(SIGNATURE OF OFFICER)

**CITY OF ASHLAND**

DATES	GALLONS PURCHASED	\$AMOUNT
11/1/12 - 11/30/12	32,338,000	\$ 79,551.48
12/1/12 - 12/31/12	39,300,000	\$ 96,678.00
1/1/13 - 1/31/13	36,669,000	\$ 92,987.64
2/1/13 - 2/28/13	33,411,000	\$ 86,200.38
3/1/13 - 3/31/13	36,910,000	\$ 95,227.80
4/1/13 - 4/30/13	33,352,000	\$ 86,048.16
5/1/13 - 5/31/13	30,764,000	\$ 79,371.12
6/1/13 - 6/30/13	35,298,000	\$ 91,068.84
7/1/13 - 7/31/13	34,004,000	\$ 87,730.32
8/1/13 - 8/31/13	30,763,000	\$ 79,368.54
9/1/13 - 9/30/13	32,728,000	\$ 84,438.24
10/1/13 - 10/31/13	31,583,000	\$ 81,484.14
<b>TOTAL</b>	<b>407,120,000</b>	<b>\$ 1,040,154.66</b>

**BIG SANDY WATER DISTRICT**

DATES	GALLONS PURCHASED	\$ AMOUNT
11/1/12 - 11/30/12	203,900	\$ 948.14
12/1/12 - 12/31/12	264,400	\$ 1,229.46
1/1/13 - 1/31/13	142,900	\$ 664.49
2/1/13 - 2/28/13	141,200	\$ 662.23
3/1/13 - 3/31/13	151,000	\$ 708.19
4/1/13 - 4/30/13	167,100	\$ 783.70
5/1/13 - 5/31/13	203,000	\$ 891.17
6/1/13 - 6/30/13	201,200	\$ 889.30
7/1/13 - 7/31/13	190,600	\$ 842.45
8/1/13 - 8/31/13	213,600	\$ 944.11
9/1/13 - 9/30/13	270,300	\$ 796.93
10/1/13 - 10/31/13	203,600	\$ 899.91
<b>TOTAL</b>	<b>2,352,800</b>	<b>\$ 10,260.08</b>

BILLING DATES	GALLONS SOLD	\$ AMOUNT
11/1/12 - 11/30/12	22,730,000	\$ 173,289.42
12/1/12 - 12/31/12	23,314,500	\$ 174,887.89
1/1/13 - 1/31/13	25,378,600	\$ 187,745.99
2/1/13 - 2/28/13	20,694,900	\$ 161,002.46
3/1/13 - 3/31/13	19,426,900	\$ 159,373.75
4/1/13 - 4/30/13	21,179,200	\$ 167,965.68
5/1/13 - 5/31/13	26,894,200	\$ 205,846.45
6/1/13 - 6/30/13	22,928,600	\$ 180,073.58
7/1/13 - 7/31/13	27,724,100	\$ 211,481.71
8/1/13 - 8/31/13	22,667,800	\$ 178,457.92
9/1/13 - 9/30/13	22,295,700	\$ 174,363.93
10/1/13 - 10/31/13	23,252,200	\$ 181,799.64
<b>TOTAL</b>	<b>278,486,700</b>	<b>\$ 2,156,288.42</b>



**Engineering & Utilities**

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

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

November 21, 2013

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 \$2.58 / thousand gallons to \$2.73 / thousand gallons. The change would become effective for all flow through the meter on or after January 1, 2014.

Enclosed is (1) a proposed tariff sheet with an effective date of January 1, 2014 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

A handwritten signature in black ink, appearing to read "Ryan S. Eastwood". The signature is written in a cursive style with a long horizontal flourish extending to the right.

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

Enclosure(s)

cc: 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	\$2.58 per 1000 gallons	\$2.73 per 1000 gallons	5.7%

The proposed effective date is January 1, 2014. 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

2<sup>nd</sup> Revised SHEET NO. 1

City of Ashland, Kentucky  
(Name of Municipal Utility)

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

1<sup>st</sup> Revised SHEET NO. 1

---

RATES AND CHARGES

---

MONTHLY WHOLESALE WATER RATE:

Cannonsburg Water District

\$2.73 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

---

DATE OF ISSUE November 21, 2013  
Month / Date / Year

DATE EFFECTIVE January 1, 2014  
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