

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

RECEIVED

APR 22 2015

PUBLIC SERVICE
COMMISSION

April 14, 2015

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, Louisa Water, 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-3, we changed from \$2.66 per thousand to \$3.06 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. We have enclosed a copy of our minutes of our proposal to Louisa Water. We will be approving the rate increase at our April 20, 2015 meeting. At that time we will mail the approved minutes. If you have any questions, please call (606) 928-2075.

Sincerely,



James H. Blanton
Manager

Enclosures

jb/tb

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

RECEIVED

APR 22 2015

PUBLIC SERVICE
COMMISSION

Name of Utility	Big Sandy Water District	
Date	April 14, 2015	
Address	18200 State Route 3	
City, State, Zip	Catlettsburg, KY	41129
Telephone Number	(606) 928-2075	
Email Address	bdistrict@windstream.net	

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
Kenova	2.55 per 1,000 gallons	2.55 per 1,000 gallons
Louisa	2.66 per 1,000 gallons	3.06 per 1,000 gallons
Ashland	2.08 per 1,000 gallons	2.08 per 1,000 gallons
Cannonsburg	4.21 per 1,000 gallons	4.21 per 1,000 gallons
Rattlesnake Ridge	3.82 per 1,000 gallons	3.82 per 1,000 gallons

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit-3.

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	February 2014	through	January 2015
	(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.

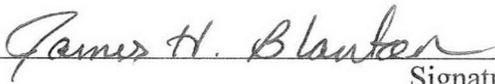
Supplier(s)	Gallons Purchased during 12 month period
Kenova	203,865,900
Louisa	88,760,000
Ashland	2,000,000
Cannonsburg	54,189,500
Rattlesnake Ridge	5,996,800
TOTAL PURCHASES	354,812,200
4. Total gallons sold for the 12 month period	
	238,243,300
5. Increased water cost (see Exhibit-1 for calculation)	
	\$35,504.00
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	
6. Purchased water adjustment factor (see Exhibit-1)	
	15-cents per 1,000 gallons
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 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.	
7. A schedule listing the current and proposed rates is attached as Exhibit-2	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit-4	
9. Proposed effective date	
	April 30, 2015
	
Signature of Utility Officer	
Manager	
Title	

EXHIBIT-1

SUPPLIER	PURCHASES	COST AT OLD RATE	COST AT NEW RATE	DIFFERENCE
Kenova	203,865,900	No Change	No Change	No Change
Louisa	88,760,000	236,101.60	271,605.60	35,504.00
Ashland	2,000,000	No Change	No Change	No Change
Cannonsburg	54,189,500	No Change	No Change	No Change
Rattlesnake Ridge	5,996,800	No Change	No Change	No Change
Total Change in Water Costs				\$35,504.00
Divided by the Total Volume of Water Sold During the 12-month Period				238,243,300
Equals Purchased Water Adjustment Factor				0.00014902412
Factor adjusted to a per 1,000 gallon rate				0.149024128
Rounded up to the nearest penny				15-cents

EXHIBIT-2

COMPARISON OF MONTHLY RATES AT CURRENT RATES AND PROPOSED RATES

5/8" x 3/4" METER

	<u>CURRENT RATES</u>	<u>PROPOSED RATES</u>
First 2,000 Gallons	\$16.71 Minimum Bill	\$16.86 Minimum Bill
Next 8,000 Gallons	8.44 Per 1,000 Gallons	8.59 Per 1,000 Gallons
Next 20,000 Gallons	5.84 Per 1,000 Gallons	5.99 Per 1,000 Gallons
Next 20,000 Gallons	5.42 Per 1,000 Gallons	5.57 Per 1,000 Gallons
Over 50,000 Gallons	5.19 Per 1,000 Gallons	5.34 Per 1,000 Gallons

1" METER

	<u>CURRENT RATES</u>	<u>PROPOSED RATES</u>
First 10,000 Gallons	\$92.67 Minimum Bill	\$94.17 Minimum Bill
Next 10,000 Gallons	5.84 Per 1,000 Gallons	5.99 Per 1,000 Gallons
Next 20,000 Gallons	5.42 Per 1,000 Gallons	5.57 Per 1,000 Gallons
Over 40,000 Gallons	5.19 Per 1,000 Gallons	5.34 Per 1,000 Gallons

1-1/2" METER

	<u>CURRENT RATES</u>	<u>PROPOSED RATES</u>
First 20,000 Gallons	\$151.07 Minimum Bill	\$154.07 Minimum Bill
Next 20,000 Gallons	5.42 Per 1,000 Gallons	5.57 Per 1,000 Gallons
Over 40,000 Gallons	5.19 Per 1,000 Gallons	5.34 Per 1,000 Gallons

2" METER

	<u>CURRENT RATES</u>	<u>PROPOSED RATES</u>
First 40,000 Gallons	\$259.47 Minimum Bill	\$265.47 Minimum Bill
Over 40,000 Gallons	5.19 Per 1,000 Gallons	5.34 Per 1,000 Gallons

3" METER

	<u>CURRENT RATES</u>	<u>PROPOSED RATES</u>
First 100,000 Gallons	\$570.87 Minimum Bill	\$585.87 Minimum Bill
Over 100,000 Gallons	5.19 Per 1,000 Gallons	5.34 Per 1,000 Gallons

4" METER

	<u>CURRENT RATES</u>	<u>PROPOSED RATES</u>
First 200,000 Gallons	\$1,089.87 Minimum Bill	\$1,119.87 Minimum Bill
Over 200,000 Gallons	5.19 Per 1,000 Gallons	5.34 Per 1,000 Gallons

CITY OF LOUISA WATER AND SEWER

Harold Slone, Mayor

David McGuire, PWD

City of Louisa Water and Sewer

PO Box 608

Louisa, KY 41230

March 18, 2015

Mr. James Blanton, Superintendent

Big Sandy Water District

18200 State Route 3

Catlettsburg, KY 41129

Dear Mr. Blanton:

Enclosed is the notice of water rate schedule change by the City of Louisa Water to the Big Sandy Water District. We are submitting this notice simultaneously to Kentucky Public Service Commission. The City is proposing to change the new rate effective April 30, 2015.

There will be a 15% increase as agreed by Louisa City Council and the Big Sandy Water District Board of Directors.

The City looks forward to continuing its mutual beneficial relationship with Big Sandy Water District.

Sincerely,

Harold Slone, Mayor

Cc: Kentucky Public Service Commission

215 Main Cross St
PO Box 608
Louisa, KY 4123

PHONE 606-638-9322
FAX 606-638-1338
EMAIL louisawater@louisawater.com

NOTICE

The city of Louisa has filed a proposed rate schedule that will change and increase the rate charge to the Big Sandy Water District. The City of Louisa currently charges the Big Sandy Water District the following rate:

\$2.66 per 1,000 gallons

The City of Louisa proposes to charge Big Sandy Water District the following rate for water service effective January 30, 2015:

\$3.06 per 1,000 gallons

The rate contained in this notice is the rate proposed by the City of Louisa. The Kentucky Public Service Commission, however, 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 this matter may, by written request, within (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. Intervention may be granted beyond (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 schedule and City Ordinance and any other filings made by the City of Louisa by contacting Kathy Compton, City Clerk, City Hall, 215 N Main Cross Street, Louisa, KY 41230, 606/638/4050.

Any person may examine the City of Louisa's rate schedule and City Ordinance and other filings at its main office at 213 Main Cross Street, Louisa, KY or at the Public Service Commission's Offices at 221 Sowers Blvd., Frankfort, KY 40602.

For Big Sandy Water District
Community, Town or City

P.S.C. NO. _____

5th revision SHEET NO. _____ 1

City of Louisa, Kentucky
Name of Issuing Corporation

CANCELLING P.S.C. NO. _____

ORIGINAL SHEET NO. ONE

CLASSIFICATION OF SERVICE

	RATE PER UNIT
Wholesale rate to Big Sandy Water District; per 1,000 gallons	\$3.06

DATE OF ISSUE 3-23-15

DATE EFFECTIVE 4-30-15

ISSUED BY City of Louisa

TITLE Mayor *Harold E Stone*

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

BIG SANDY WATER DISTRICT
COMMISSIONERS' MEETING

MINUTES OF DECEMBER 15, 2014

REGULAR MEETING

A regular meeting of the Board of Commissioners of the Big Sandy Water District was held on Monday, Dec. 15, 2014. The meeting was called to order by Paul Thomas, Chairman, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, Ky.

PRESENT COMMISSIONERS:

Paul Thomas
Charles Shockey
Bill Hardin
Larry Shockey
David Salisbury

OTHERS:

James Blanton-BSWD
Teresa Brown-BSWD
Roger Hall—Williams, Hall & Latherow

PUBLIC PARTICIPATION

Mark Kazee came on behalf of Selena Bryan concerning the water bills for November and December for \$779.22. He stated that the reason they were so high was because of our pump that went bad. He stated she did have a leak but that was not what caused the bills to be so high. Motion made by Bill Hardin, seconded by Charlie Shockey to reduce the bills by half because we did not know how bad her leak was. Motion carried.

Terrence Rehmel of 14281 Trace Rd stated he had not received water bill for 2 months and it is not his responsibility to call us and find out how much the bill is. Commissioners told him that BSWD is not responsible for the mail delivery and our bills go out the last working day of the month.

MINUTES APPROVED

The minutes of the November 17, 2014 regular meeting were approved as mailed. The motion was made by Bill Hardin, seconded by Charlie Shockey. Motion carried.

BILLS

Motion made by Bill Hardin, seconded by Larry Shockey to approve and pay the monthly bills. Motion carried.

REPORTS

Motion made by Charlie Shockey, seconded by David Salisbury to approve treasurer's report. Motion carried.

Commissioners discussed water loss. Motion made by Bill Hardin, seconded by Larry Shockey to approve water loss report. Motion carried.

Motion made by Larry Shockey, seconded by Charlie Shockey to approve monthly billing, collections on accounts and adjustments on accounts. Motion carried.

OLD BUSINESS

BSWD-Ashland Interconnection Project—still waiting on impellers and need to purchase a chlorine pump. Motion made by Bill Hardin, seconded by Larry Shockey to go into executive session pending litigation. Motion carried. Motion made by Larry Shockey, seconded by Charlie Shockey to come out of executive session with no action taken. Motion carried.

Contact H Lawrence County Line Extensions—about 3 days to finish Long Fork.

Roger Hall informed commissioners that heard from Bud Adams from our offer of 15% per thousand with no discussion for 36 months. Louisa wants to raise our rate 15% per thousand with no discussion for a year and purchase a minimum of 90 million gallons a year. Commission said to offer 15% per thousand with no discussion for 30 months and no minimum.

NEW BUSINESS

Motion made by Bill Hardin, seconded by Larry Shockey to approve charge-offs in the amount of \$21318.06 and see about making a claim on the estate if someone has passed away. Motion carried. David Salisbury abstained.

Motion made by Bill Hardin, seconded by Larry Shockey to give Tommy Cornwell \$3.00/hr raise, Bobbi Burton \$1.00/hr raise, Nathan Parson \$1.00/hr raise and everyone else a .25/hr raise effective January 1, 2015. Motion carried.

Ashland Water is raising our rate .10 cents per thousand effective date of 01/01/15. Motion made by Charlie Shockey, seconded by Larry Shockey to do pass thru increase and see if they will hold off until April billing, maybe by that time we will be using water from Ashland. Motion carried.

Motion made by Charlie Shockey, seconded by Larry Shockey to recess meeting at 10:45 until December 29th, 2014, at 9:00 a.m. Motion carried.

After recess, meeting was resumed on December 29th, 2014, at 9:00 a.m. in the District Office at 18200 State Route 3, Catlettsburg, KY.

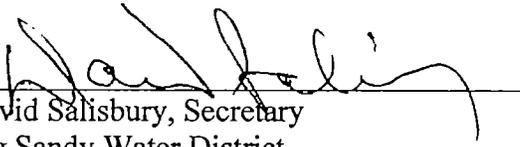
PRESENT

Paul Thomas, Bill Hardin, Larry Shockey, Charlie Shockey, Jim Blanton and Teresa Brown.

Cannonsburg Water is raising our rate from \$4.06 to \$4.20. Motion made by Charlie Shockey, seconded by Larry Shockey to do pass thru increase. Motion carried.

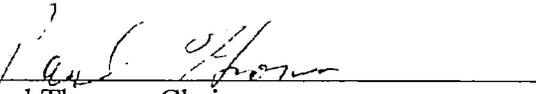
Motion made by Larry Shockey, seconded by Charlie Shockey to adjourn meeting at 10:00 a.m. Motion carried.

BY:


David Salisbury, Secretary
Big Sandy Water District

Date Approved: 1-19-2015

BY:


Paul Thomas, Chairman
Big Sandy Water District