

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
SANDY VALLEY WATER DISTRICT) CASE NO. 2000-025

O R D E R

On January 11, 2000, Sandy Valley Water District (“Sandy Valley”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

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

1. Sandy Valley purchases its water from the city of Pikeville, Kentucky (“Pikeville”), and the city of Prestonsburg, Kentucky (“Prestonsburg”).
2. Pikeville increased its wholesale water rate charged to Sandy Valley from \$1.38 per thousand gallons to \$1.69 per thousand gallons, effective January 1, 2000, to be reflected on the February 2000 bill.
3. During the 12 months ending November 1999, Sandy Valley purchased 179,938,000 gallons of water from Pikeville and 65,119,000 gallons from Prestonsburg, while having sold 194,290,000 gallons.
4. The increase in the cost of purchased water is \$67,890, resulting in a purchased water adjustment of 35 cents per 1,000 gallons of water. Based on a monthly usage of 5,000 gallons, the average residential bill of a Sandy Valley customer would increase \$1.75, from \$19.99 to \$21.74, or 8.75 percent.
5. Sandy Valley’s calculations are correct and should be approved.

6. The purchased water adjustment of 35 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of 35 cents per 1,000 gallons and the rates in Appendix A are approved for bills issued on and after February 1, 2000.

2. Within 30 days from the date of this Order, Big Sandy shall file a copy of its updated tariff showing its new rates.

Done at Frankfort, Kentucky, this 9th day of February, 2000.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2000-025 DATED FEBRUARY 9, 2000

The following rates and charges are prescribed for the customers in the area served by Sandy Valley 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 RATES

5/8 Inch Meter

First	2,000 Gallons	\$9.89	Minimum Bill
Next	3,000 Gallons	3.95	Per 1,000 Gallons
Next	15,000 Gallons	3.60	Per 1,000 Gallons
Next	30,000 Gallons	3.12	Per 1,000 Gallons
Next	50,000 Gallons	2.89	Per 1,000 Gallons
Over	100,000 Gallons	2.72	Per 1,000 Gallons

1 Inch Meter

First	5,000 Gallons	\$21.74	Minimum Bill
Next	15,000 Gallons	3.60	Per 1,000 Gallons
Next	30,000 Gallons	3.12	Per 1,000 Gallons
Next	50,000 Gallons	2.89	Per 1,000 Gallons
Over	100,000 Gallons	2.72	Per 1,000 Gallons

1 1/2 Inch Meter

First	10,000 Gallons	\$39.74	Minimum Bill
Next	10,000 Gallons	3.60	Per 1,000 Gallons
Next	30,000 Gallons	3.12	Per 1,000 Gallons
Next	50,000 Gallons	2.89	Per 1,000 Gallons
Over	100,000 Gallons	2.72	Per 1,000 Gallons

2 Inch Meter

First	25,000 Gallons	\$91.34	Minimum Bill
Next	25,000 Gallons	3.12	Per 1,000 Gallons
Next	50,000 Gallons	2.89	Per 1,000 Gallons
Over	100,000 Gallons	2.72	Per 1,000 Gallons

3 Inch Meter

First	50,000 Gallons	\$169.34	Minimum Bill
Next	50,000 Gallons	2.89	Per 1,000 Gallons
Over	100,000 Gallons	2.72	Per 1,000 Gallons

4 Inch Meter

First	100,000 Gallons	\$313.84	Minimum Bill
Over	100,000 Gallons	2.72	Per 1,000 Gallons

Mountain Water District		\$2.40	Per 1,000 Gallons
All other usage		\$2.72	Per 1,000 Gallons