

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF OVERLAND DEVELOPMENT) CASE NO. 2008-00445
INCORPORATED)

ORDER

On October 15, 2008, Overland Development Incorporated ("Overland") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

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

1. Overland purchases water from the Big Sandy Water District ("Big Sandy").
2. Big Sandy notified Overland that, effective April 1, 2007, its volumetric wholesale rate to Overland would increase from \$0.96 per 1,000 gallons to \$1.25 per 1,000 gallons.
3. Overland proposed a purchased water adjustment factor of \$0.33 per 1,000 gallons.
4. During the 12 months ended September 30, 2008, Overland purchased 7,040,220 gallons of water from Big Sandy, and it sold 6,161,000 gallons. The increase in the cost of purchased water is \$2,041.67, resulting in a purchased water adjustment factor of \$0.33 per 1,000 gallons.

¹ 807 KAR 5:067.

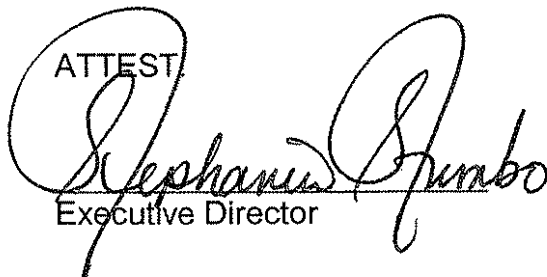
5. The purchased water adjustment factor of \$0.33 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Overland are approved.
2. The purchased water adjustment factor of \$0.33 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services on or after December 1, 2008.
4. Within 20 days of the date of this Order, Overland shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 5th day of November, 2008.

By the Commission

ATTEST

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00445 DATED NOVEMBER 5, 2008

	New Rate	Base Rate
Big Sandy		
Purchases in gallons	7,040,220	7,040,220
Volumetric rate	<u>\$.96 /1,000</u>	<u>\$ 1.25/1,000</u>
	\$ 8,800.28	\$ 6,758.61
	Increased water cost	\$ 2,041.67
Increased water cost		\$2,041.67
Divided by gallons sold		6,161,000
Purchased water adjustment factor		\$0.33 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00445 DATED NOVEMBER 5, 2008

The following rates and charges are prescribed for the customers in the area served by Overland Development Incorporated. 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 Water Rates

First	2,000 gallons	\$16.98	Minimum Bill
Next	8,000 gallons	6.19	per 1,000 gallons
Next	20,000 gallons	4.69	per 1,000 gallons
Next	20,000 gallons	3.90	per 1,000 gallons
Over	50,000 gallons	3.14	per 1,000 gallons