

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT) CASE NO. 2009-00181
OF BIG SANDY WATER DISTRICT)

ORDER

On May 7, 2009, Big Sandy Water District ("Big Sandy") 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. Big Sandy purchases water from the city of Louisa ("Louisa"), city of Kenova ("Kenova"), Rattlesnake Ridge Water District ("Rattlesnake Ridge") and the Cannonsburg Water District ("Cannonsburg").

2. Cannonsburg raised its wholesale rate to Big Sandy effective April 13, 2009 from \$1.74 per 1,000 gallons to \$2.32 per 1,000 gallons.

3. Big Sandy proposed a purchased water adjustment factor of \$0.14 per 1,000 gallons.

4. Big Sandy proposed an effective date of July 1, 2009.

5. During the 12 months ended March 31, 2009, Big Sandy purchased 75,398,300 gallons of water from Louisa, 208,415,000 gallons from Kenova, 4,450,940 gallons from Rattlesnake Ridge, and 60,494,800 gallons from Cannonsburg; and it sold

¹ KRS 278.015; 807 KAR 5:068.

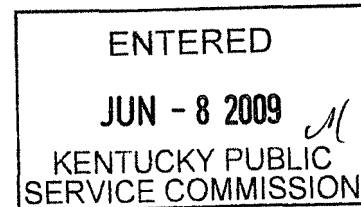
257,546,800 gallons. The increase in the cost of purchased water is \$35,087, resulting in a purchased water adjustment factor of \$0.14 per 1,000 gallons.

6. The purchased water adjustment factor of \$0.14 per 1,000 gallons is fair, just, and reasonable and should be approved.

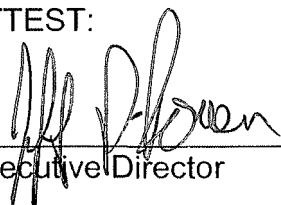
IT IS THEREFORE ORDERED that:

1. The rates proposed by Big Sandy are approved.
2. The purchased water adjustment factor of \$0.14 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 July 1, 2009.
4. Within 20 days of the date of this Order, Big Sandy shall file with the Commission revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00181 DATED **JUN - 8 2009**

	New Rate	Base Rate
Cannonsburg		
Purchases in gallons	60,494,800	60,494,800
Volumetric rate	<u>\$ 2.32 /1,000</u>	<u>\$ 1.74/1,000</u>
	\$140,347.94	\$105,260.95
Louisa	no change	
Rattlesnake Ridge	no change	
Kenova	no change	
	Increased water cost	\$ 35,086.99
Increased water cost		\$35,086.99
Divided by gallons sold		257,546,800
Purchased water adjustment factor		\$0.14 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00181 DATED JUN - 8 2009

The following rates and charges are prescribed for the customers in the area served by Big Sandy 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 Water Rates

5/8 x 3/4 Inch Meter

First	2,000 gallons	\$17.18	Minimum Bill
Next	8,000 gallons	6.69	per 1,000 gallons
Next	20,000 gallons	5.56	per 1,000 gallons
Next	20,000 gallons	4.80	per 1,000 gallons
Over	50,000 gallons	4.04	per 1,000 gallons

1 Inch Meter

First	10,000 gallons	\$70.70	Minimum Bill
Next	20,000 gallons	5.56	per 1,000 gallons
Next	20,000 gallons	4.80	per 1,000 gallons
Over	50,000 gallons	4.04	per 1,000 gallons

1 - 1/2 Inch Meter

First	30,000 gallons	\$181.90	Minimum Bill
Next	20,000 gallons	4.80	per 1,000 gallons
Over	50,000 gallons	4.04	per 1,000 gallons

2 Inch Meter

First	50,000 gallons	\$277.90	Minimum Bill
Over	50,000 gallons	4.04	per 1,000 gallons

3 Inch Meter

First	100,000 gallons	\$479.90	Minimum Bill
Over	100,000 gallons	4.04	per 1,000 gallons

4 Inch Meter

First	200,000 gallons	\$883.90	Minimum Bill
Over	200,000 gallons	4.04	per 1,000 gallons

<u>Wholesale volumetric rate</u>		
Overland Development Inc.	\$1.77	per 1,000 gallons
Cannonsburg Water District	\$2.43	per 1,000 gallons

Mr. Jimmy Blanton
Superintendent
Big Sandy Water District
18200 Kentucky Route #3
Catlettsburg, KY 41129