

BIG SANDY WATER DISTRICT
18200 STATE ROUTE 3
CATLETTSBURG KY 41129
928-2075 OR 1-800-354-2933
FAX 606-928-8454
b.district@worldnet.att.net
www.bswd.org

May 15, 2006

Ms. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd
PO Box 615
Frankfort, Ky 40602

RECEIVED
MAY 17 2006
PUBLIC SERVICE
COMMISSION

Dear Ms. O'Donnell:

Case No. 2006-00700

Big Sandy Water District has experienced a rate increase from one of our suppliers, the City Of Louisa, KY, 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 A, we changed from \$1.85 per thousand to \$2.10 per thousand. A notice to customers will be published in the Daily Independent and Big Sandy News. Our total expenses and revenue have been furnished to the PSC in our annual report. Enclosed is the original and ten copies of the applications, exhibits and new tariff sheets. If you have any questions, please call (606) 928-2075.

Sincerely,

Bob McGlothlin

Bob McGlothlin
Superintendent

BM/tb

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

BIG SANDY WATER DISTRICT
(NAME OF UTILITY)

May 15, 2006
(DATE)

18200 STATE ROUTE 3
(ADDRESS)

CATLETTSBURG, KY 41129
(CITY, STATE)

1-606-928-2075
(TELEPHONE NUMBER)

RECEIVED

MAY 17 2006

PUBLIC SERVICE
COMMISSION

Case No. 2006-00700

- 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
<u>CITY OF KENOVA</u>	<u>EXHIBIT A \$1.15</u>	<u>NO CHANGE</u>
<u>CITY OF LOUISA</u>	<u>EXHIBIT B \$1.85</u>	<u>\$2.10/THOUSAND</u>
_____	_____	_____

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

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 APRIL 2005 through MARCH 2006
(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 rates schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
<u>LOUISA</u>	<u>73,602,122</u>
<u>KENOVA</u>	<u>271,150,040</u>
TOTAL PURCHASES	<u>344,752,162</u>

4. Total sales for the 12 month period 245,653,500.

5. Increased water cost 18,400.53.

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

6. Purchased water adjustment factor 7 CENTS/THOUSAND.

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. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.

7. Proposed effective date June 1, 2006.



(Signature of Utility Officer)

CHAIRMAN
(Title)

AMENDMENT TO WATER PURCHASE CONTRACT

This Amendment to Water Purchase Contract effective October 1, 1999, is entered into by and between the City of Kenova, West Virginia, and the Big Sandy Water District.

1. WHEREAS the City of Kenova and the Big Sandy Water District entered into a Water Purchase Contract on or about February 22, 1982, which Contract has subsequently been amended from time to time;

2. WHEREAS the City of Kenova and the Big Sandy Water District desire to amend certain terms of that Water Purchase Contract and desire that these amendments supercede and replace all conflicting provisions of the original Water Purchase Contract and the subsequent amendments and addendums thereto:

NOW THEREFORE in consideration of the foregoing and the mutual agreements herein set forth, the parties agree to amend the Water Purchase Contract as follows:

1. The City of Kenova agrees to sell up to 24,000,000 gallons of water per month, to the best of its ability, to the Big Sandy Water District for which the City of Kenova will charge a flat rate of \$1.15 per thousand gallons of water, which the Big Sandy Water District agrees to pay;

2. The Big Sandy Water District further agrees to pay one half (1/2) of any overtime of Kenova's water plant operators necessitated by the demands of the Big Sandy Water District on a day to day basis;

3. The terms of this Amendment are subject to renegotiation and modification after October 1, 2000.

4. All remaining terms and provisions of the original Water Purchase Contract and its subsequent addendums and amendments shall remain in full force and effect.

IN WITNESS WHEREOF, the parties, acting under authority of their respective governing bodies, have caused this Amendment to be duly executed this 27th day of September, 1999.

Attest:

Sheila A. Wehler

Seller: City of Kenova

By:

J. B. Marrow III

Title:

Mayor

Attest:

Small Blanton

Purchaser: Big Sandy Water District

By:

Paul E. Thomas

Title:

Chairman

TEDDY PRESTON
MAYOR

City Of Louisa
Board of Water and Sewer Commission

Exhibit B
DAVID MCGUIRE
PUBLIC WORKS DIRECTOR



May 2, 2006

Mr. Robert McGlothlin
Superintendent
Big Sandy Water District
18200 State Route # 3
Catlettsburg, KY 41129

RE: Wholesale Water Rate

Dear Mr. McGlothlin:

Enclosed is the notice of the water rate schedule change by the City of Louisa to the Big Sandy Water District. We are submitting this notice simultaneously to the Kentucky Public Service Commission. The City is proposing to change the rate effective June 1, 2006 from \$1.88 per 1,000 gallons to \$2.10.

Ted Preston
Mayor

A handwritten signature in cursive script that reads "Teddy Preston - Mayor".

cc: Kentucky Public Service Commission

COMMONWEALTH OF KENTUCKY
CITY OF LOUISA
ORDINANCE NO. 06-02

ORDINANCE RELATING TO WATER, SEWER, AND GARBAGE RATES

BE IT ORDAINED BY THE CITY OF LOUISA, AS FOLLOWS:

That the water, sewer, and garbage rates for the customers of the City of Louisa, Kentucky, shall be as follows:

WATER RATES [Per 1,000 gallons]

<u>RESIDENTIAL USAGE [GALLONS]</u>	<u>IN CITY</u>		<u>OUT OF CITY</u>	
0-1,000 [Minimum bill]	\$10.73	11.48	\$43.79	15.03
1,001 - 5,000	3.92	4.61	4.74	5.88
5,001 - 10,000	3.62	4.42	4.45	5.65
10,001 - 20,000	3.41	4.10	3.96	5.03
20,001 - 50,000	3.11	3.92	3.60	4.79
50,001 - 100,000	2.80	3.53	3.12	4.15
Over 100,000	2.39	3.25	2.64	3.83

<u>COMMERCIAL USAGE [GALLONS]</u>	<u>IN CITY</u>		<u>OUT OF CITY</u>	
0-2,000 [Minimum bill]	\$15.57	16.66	49.45	21.95
2,001 - 5,000	3.92	4.61	4.74	5.88
5,001 - 10,000	3.62	4.41	4.45	5.65
10,001 - 20,000	3.41	4.10	3.96	5.03
20,001 - 50,000	3.11	3.92	3.60	4.79
50,001 - 100,000	2.80	3.53	3.12	4.15
Over 100,000	2.39	3.25	2.64	3.83

ONE INCH METER
USAGE [GALLONS]

IN
CITY

OUT OF
CITY

0 - 5,000 [Minimum bill]	\$29.43	<u>31.78</u>	\$35.77	<u>38.63</u>
5,001 - 10,000	<u>3.62</u>	<u>3.91</u>	4.45	<u>5.65</u>
10,001 - 20,000	<u>3.41</u>	<u>3.68</u>	<u>3.96</u>	<u>5.03</u>
20,001 - 50,000	<u>3.11</u>	<u>3.36</u>	<u>3.60</u>	<u>4.57</u>
50,001 - 100,000	<u>2.80</u>	<u>3.02</u>	<u>3.12</u>	<u>3.96</u>
Over 100,000	<u>2.39</u>	<u>2.58</u>	<u>2.64</u>	<u>3.35</u>

1 1/4 INCH METER
USAGE [GALLONS]

IN
CITY

OUT OF
CITY

0 - 8,000 [Minimum bill]	\$42.39	<u>46.63</u>	52.11	<u>66.18</u>
8,001 - 10,000	<u>3.62</u>	<u>3.98</u>	4.45	<u>5.65</u>
10,001 - 20,000	<u>3.41</u>	<u>3.75</u>	<u>3.96</u>	<u>5.03</u>
20,001 - 50,000	<u>3.11</u>	<u>3.42</u>	<u>3.60</u>	<u>4.57</u>
50,001 - 100,000	<u>2.80</u>	<u>3.08</u>	<u>3.12</u>	<u>3.96</u>
Over 100,000	<u>2.39</u>	<u>2.63</u>	<u>2.64</u>	<u>3.35</u>

1 1/2 INCH METER
USAGE [GALLONS]

IN
CITY

OUT OF
CITY

0 - 12,000 [Minimum bill]	\$ 59.25	<u>65.18</u>	\$70.84	<u>82.17</u>
12,001 - 20,000	<u>3.41</u>	<u>3.75</u>	<u>3.96</u>	<u>4.59</u>
20,001 - 50,000	<u>3.11</u>	<u>3.42</u>	<u>3.60</u>	<u>4.19</u>
50,001 - 100,000	<u>2.80</u>	<u>3.08</u>	<u>3.12</u>	<u>3.62</u>
Over 100,000	<u>2.39</u>	<u>2.63</u>	<u>2.64</u>	<u>3.06</u>

TWO INCH METER
USAGE [GALLONS]

IN
CITY

OUT OF
CITY

0 - 20,000 [Minimum bill]	\$92.13	<u>101.34</u>	\$108.12	<u>125.42</u>
20,001 - 50,000	<u>3.11</u>	<u>3.42</u>	<u>3.60</u>	<u>4.18</u>
50,001 - 100,000	<u>2.80</u>	<u>3.08</u>	<u>3.12</u>	<u>3.62</u>
Over 100,000	<u>2.39</u>	<u>2.63</u>	<u>2.64</u>	<u>3.06</u>

THREE INCH METER
USAGE [GALLONS]

		<u>IN CITY</u>		<u>OUT OF CITY</u>
0 - 50,000 [Minimum bill]	\$206.43	<u>233.27</u>	\$237.12	<u>284.54</u>
50,000 - 100,000	2.80	<u>3.16</u>	3.12	<u>3.74</u>
Over 100,000	2.39	<u>2.77</u>	2.64	<u>3.17</u>

FOUR INCH METER
USAGE [GALLONS]

		<u>IN CITY</u>		<u>OUT OF CITY</u>
0 - 85,000 [Minimum bill]	\$328.93	<u>374.98</u>	\$370.82	<u>444.98</u>
85,000 - 100,000	2.80	<u>3.19</u>	3.12	<u>3.74</u>
Over 100,000	2.39	<u>2.72</u>	2.64	<u>3.17</u>

SIX INCH METER
USAGE [GALLONS]

		<u>IN CITY</u>		<u>OUT OF CITY</u>
0 - 190,000 [Minimum bill]	\$659.53	<u>765.00</u>	\$684.40	<u>876.00</u>
Over 190,000	2.39	<u>2.77</u>	2.64	<u>3.38</u>

EIGHT INCH METER
USAGE [GALLONS]

		<u>IN CITY</u>		<u>OUT OF CITY</u>
0 - 350,000 [Minimum bill]	\$4,153.03	<u>1,360.00</u>	\$1,194.43	<u>1,549.00</u>
Over 350,000	2.39	<u>2.82</u>	2.64	<u>3.43</u>

LAWRENCE SQUARE APARTMENTS

0 - 36,000 [Minimum bill]	\$ 394.18	<u>421.77</u>
36,001 - 144,000	3.92	<u>4.19</u>
144,001 - 180,000	3.62	<u>3.87</u>
188,001 - 360,000	3.44	<u>3.64</u>
360,001 - 1,080,000	3.14	<u>3.32</u>
1,080,001 - 1,800,000	2.80	<u>2.99</u>
Over 1,800,000	2.39	<u>2.56</u>

(4.)

COUNTY PLACE APARTMENT

0 - 41,000 [Minimum bill]	\$ 448.95	476.07
41,001 - 50,000	3.14	3.89
50,000 - 100,000	2.80	3.89
Over 100,000	2.39	3.89

BIG SANDY WATER DISTRICT

\$1.88 2.10 Per 1,000 gallons

GOLF COURSE

\$5,420.00 5,215.00 per month - debt service
~~\$1.79~~ 1.91 per 1000 gallons

SEWER RATES [Per 1,000 gallons]

<u>USAGE [GALLONS]</u>	<u>IN CITY</u>		<u>OUT OF CITY</u>	
0 - 1,000 [Minimum bill]	\$5.14	\$5.50	\$6.25	\$6.81
Over 1,000	\$5.14	5.50	6.25	6.81

GARBAGE RATES

WITHIN CITY

Residential users: \$9.00 per month
 Residential users [65 years of age and older]: \$6.00 per month

OUTSIDE CITY

Residential users: \$10.00 per month
 Residential users [65 years of age and older]: \$7.00 per month

BUSINESSES [WITHOUT DUMPSTERS]

One day per week: \$15.00 per month
 Two days per week: \$20.00 per month

BUSINESSES [WITH DUMPSTERS]

The basic garbage rates for businesses with dumpsters shall be \$3.75 per cubic yard for four [4] yard dumpsters and \$4.50 per cubic yard for two [2] yard dumpsters.

PENALTIES AND LATE FEES:

All water and sewer bills are due by the 15th day of each month. Any customer who pays their bill after the 15th of the month shall be assessed a late fee of 10% of their water, sewer, and/or trash bill for that particular month.

EFFECTIVE DATE:

The new rates herein shall become effective May 1, 2006.

PRIOR ORDINANCES REPEALED:

Ordinance Number 02-06 and any prior Ordinance inconsistent with this Ordinance are hereby repealed effective May 1, 2006; provided, however nothing herein shall effect the right of the City to collect any fees or charges due and payable prior to May 1, 2006.

REVIEW OF WATER AND SEWER OPERATIONS

The Louisa Water and Sewer Commission is hereby authorized and directed to solicit bids from as many consulting firms as possible [not to exceed six firms], including the Kentucky Rural Water Association, for a sum not to exceed ten thousand dollars [\$10,000.00] for the purpose of conducting a review and evaluation of the operations of the Louisa Water and/or Louisa Sewer Plant. The consultant or consulting firm would be employed by the council's decision within sixty [60] days of the passage of this Ordinance and would make its report and recommendations to the Louisa Water and Sewer Commission and the Louisa City Council as soon as possible. The cost for any such evaluation shall be paid from the general fund of the City of Louisa.

AUTOMATIC ADJUSTMENT OF WATER RATES

The water and sewer rates shall be adjusted January 1st and July 1st every year commencing January 1, 2007. based upon the monthly cost of living as reflected in the

"Consumer Price Index for All Urban Consumers" as determined by the United States Department of Labor, Bureau of Labor Statistics, based on "All Item", U.S. City Average with the period of 1982-84 equaling one hundred (hereinafter "the index figure"). The rates for the six month period commencing January 1, 2007, shall be computed by multiplying the rate then payable by a fraction of which the numerator shall be the most recent monthly index figure available prior to January 1, 2007, and the denominator shall be the index figure for July 2006. The rates for the six month period commencing July 1, 2007, shall be computed by multiplying the rate then payable by a fraction of which the numerator shall be the most recent monthly index figure available prior to July 1, 2007, and the denominator shall be index figure for January 1, 2006. Thereafter the rates shall continue to be re-calculated every January 1st and July 1st in the same manner.

INTRODUCED, SECONDED AND GIVEN FIRST READING at a duly convened meeting of the Louisa City Council held on Apr. 11, 2006.

INTRODUCED, SECONDED AND GIVEN SECOND READING at a duly convened meeting of the Louisa City Council held on Apr. 17, 2006.

Teddy Preston - Mayor
 TEDDY PRESTON, MAYOR

ATTEST:

Kathryn Musick
 KATHRYN MUSICK, DEPUTY CITY CLERK

Form for filing Rate Schedules

For PORTIONS OF BOYD, CARTER, & LAWRENCE CO.
COMMUNITY, TOWN OR CITY

P.S.C. KY. NO. 1

7TH REVISED

SHEET NO. 1

BIG SANDY WATER DISTRICT

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

Name of Issuing Corporation

6TH REVISED

SHEET NO. 1

CLASSIFICATION OF SERVICE

RATE
PER UNIT

RESIDENTIAL CONSUMERS

5/8 INCH x 3/4 INCH METER

FIRST	2,000 Gallons	(MINIMUM BILL)	\$ 15.46
Next	8,000 Gallons	per 1,000 Gallons	5.83
Next	20,000 Gallons	per 1,000 Gallons	4.70
Next	20,000 Gallons	per 1,000 Gallons	3.94
Next	50,000 Gallons	per 1,000 Gallons	3.18

Rates Based on Monthly Consumption and Calculated per 100 Gallons

\$625.00 Connection Fee

DATE OF ISSUE _____

DATE EFFECTIVE June 1, 2006

ISSUED BY

Paul E. Thomas
SIGNATURE OF OFFICER

TITLE CHAIRMAN

Issued by authority of an Order of the Public Service Commission of

Kentucky in Case No. _____ dated _____.

Form for filing Rate Schedules

For PORTIONS OF BOYD, CARTER, & LAWRENCE CO.
COMMUNITY, TOWN OR CITY

P.S.C. KY. NO. 1

6TH REVISED

SHEET NO. 2

BIG SANDY WATER DISTRICT
Name of Issuing Corporation

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

5TH REVISED

SHEET NO. 2

CLASSIFICATION OF SERVICE

RATE
PER UNIT

COMMERCIAL CONSUMERS

1 INCH METER

FIRST	10,000 Gallons	(MINIMUM BILL)	\$ 62.10
Next	20,000 Gallons	per 1,000 Gallons	4.70
Next	20,000 Gallons	per 1,000 Gallons	3.94
Next	50,000 Gallons	per 1,000 Gallons	3.18

Rates Based on Monthly Consumption and Calculated per 100 Gallons

DATE OF ISSUE _____

DATE EFFECTIVE June 1, 2006

ISSUED BY

Paul E. Thomas
SIGNATURE OF OFFICER

TITLE CHAIRMAN

Issued by authority of an Order of the Public Service Commission of
Kentucky in Case No. _____ dated _____.

Form for filing Rate Schedules

For PORTIONS OF BOYD, CARTER, & LAWRENCE CO.
COMMUNITY, TOWN OR CITY

P.S.C. KY. NO. 1

6TH REVISED

SHEET NO. 3

BIG SANDY WATER DISTRICT
Name of Issuing Corporation

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

5TH REVISED

SHEET NO. 3

CLASSIFICATION OF SERVICE

RATE
PER UNIT

COMMERCIAL CONSUMERS

1 1/2 INCH METER

FIRST 30,000 Gallons	(MINIMUM BILL)	\$ 154.21
Next 20,000 Gallons	per 1,000 Gallons	3.94
Next 50,000 Gallons	per 1,000 Gallons	3.18

Rates Based on Monthly Consumption and Calculated per 100 Gallons

Connection Fee shall be actual cost of installation

DATE OF ISSUE _____

DATE EFFECTIVE June 1, 2006

ISSUED BY *Paul E. Thomas*
SIGNATURE OF OFFICER

TITLE CHAIRMAN

Issued by authority of an Order of the Public Service Commission of
Kentucky in Case No. _____ dated _____.

Form for filing Rate Schedules

For PORTIONS OF BOYD, CARTER, & LAWRENCE CO.
COMMUNITY, TOWN OR CITY

P.S.C. KY. NO. 1

6TH REVISED

SHEET NO. 4

BIG SANDY WATER DISTRICT
Name of Issuing Corporation

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

5TH REVISED

SHEET NO. 4

CLASSIFICATION OF SERVICE

RATE
PER UNIT

COMMERCIAL CONSUMERS

2 INCH METER

FIRST 50,000 Gallons	(MINIMUM BILL)	\$231.75
Next 50,000 Gallons	per 1,000 Gallons	3.18

Rates Based on Monthly Consumption and Calculated per 100 Gallons

Connection Fee shall be actual cost of installation

DATE OF ISSUE _____

DATE EFFECTIVE June 1, 2006

ISSUED BY

Paul E. Thomas
SIGNATURE OF OFFICER

TITLE CHAIRMAN

Issued by authority of an Order of the Public Service Commission of
Kentucky in Case No. _____ dated _____.

Form for filing Rate Schedules

For PORTIONS OF BOYD, CARTER, & LAWRENCE CO.
COMMUNITY, TOWN OR CITY

P.S.C. KY. NO. 1

6TH REVISED

SHEET NO. 5

BIG SANDY WATER DISTRICT
Name of Issuing Corporation

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

5TH REVISED

SHEET NO. 5

CLASSIFICATION OF SERVICE

RATE
PER UNIT

COMMERCIAL CONSUMERS

3 INCH METER

FIRST 100,000 Gallons	(MINIMUM BILL)	\$393.90
Next 100,000 Gallons	per 1,000 Gallons	3.18

Rates Based on Monthly Consumption and Calculated per 100 Gallons

Connection Fee shall be actual cost of installation

DATE OF ISSUE _____

DATE EFFECTIVE June 1, 2006

ISSUED BY Paul E. Thomas
SIGNATURE OF OFFICER

TITLE CHAIRMAN

Issued by authority of an Order of the Public Service Commission of
Kentucky in Case No. _____ dated _____.

Form for filing Rate Schedules

For PORTIONS OF BOYD, CARTER, & LAWRENCE CO.
COMMUNITY, TOWN OR CITY

P.S.C. KY. NO. 1

6TH REVISED

SHEET NO. 6

BIG SANDY WATER DISTRICT
Name of Issuing Corporation

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

5TH REVISED

SHEET NO. 6

CLASSIFICATION OF SERVICE

RATE
PER UNIT

COMMERCIAL CONSUMERS

4 INCH METER

FIRST 200,000 Gallons
Next 200,000 Gallons

(MINIMUM BILL)
per 1,000 Gallons

\$ 711.90
3.18

Rates Based on Monthly Consumption and Calculated per 100 Gallons

Connection Fee shall be actual cost of installation

DATE OF ISSUE _____

DATE EFFECTIVE June 1, 2006

ISSUED BY *Paul E. Thomas*
SIGNATURE OF OFFICER

TITLE CHAIRMAN

Issued by authority of an Order of the Public Service Commission of
Kentucky in Case No. _____ dated _____.

From: BIG SANDY WATER DISTRICT
 18200 STATE ROUTE 3
 CALETTSBURG KY
Zip: 41129



To: PUBLIC SERVICE COMMISSION
 ATTN: BETH O'DONNELL
 PO BOX 615
 FRANKFORT KY **Zip:** 40602

RECEIVED
 MAY 17 2006
 PUBLIC SERVICE
 COMMISSION

114 5163 s 04.200 MAY 16 06 4343 CALETTSBURG KY 41129

UNITED STATES POSTAL SERVICE