

CANNONBURG WATER DISTRICT
1606 CANNONBURG ROAD
ASHLAND, KY 41102
606-928-9808
FAX# 606-928-4788

RECEIVED

MAR 1 2010

PUBLIC SERVICE
COMMISSION

FEBRUARY 25, 2010

PUBLIC SERVICE COMMISSION
P O BOX 615
FRANKFORT, KY 40602

RE: PURCHASE WATER ADJUSTMENT

2010-00098

Please find enclosed the information requested for Purchased Water Adjustment for our Water District.

Sincerely,



Danny R. Clarkston
Manager

DRC/sph
enclosures

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

Name of Utility	Cannonsburg Water District	
Date	2-25-2010	
Address	1606 Cannonsburg Road	
City, State, Zip	Ashland Ky	41102
Telephone Number	606 928-9808	

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
City of Ashland	1.89/1000 gallon	2.01/1000 gallon
Big Sandy Water	2.45/1000 gallon	2.45/1000 gallon

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

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	December 2008	through	November 2009
	(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
City of Ashland	459,997,000
Big Sandy Water District	1,850,200
TOTAL PURCHASES	461,847,200
4. Total sales for the 12 month period	319,113,200
5. Increased water cost	55421.64
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	.18
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p>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.</p>	
7. Proposed effective date	March 15, 2010
Signature of Utility Officer	
 Title	



Engineering & Utilities

P O Box 1839
Ashland, KY 41105-1839

Phone: (606) 327-2008
Fax: (606) 327-2060

February 22, 2010

Mr. Danny Clarkson
Manager
Cannonsburg Water District
1606 Cannonsburg Road
Ashland, KY 41102

RE: Wholesale Water Rate Adjustment for Cannonsburg Water District

Dear Mr. Clarkson:

As indicated in our notification letter last year dated September 8, 2008, the city has recently increased rates to wholesale water purchasers. The increase from \$1.89 / thousand gallons to \$2.01 / thousand gallons became effective January 1, 2010 to all wholesale water purchasers from The City of Ashland except Cannonsburg Water District. In order to comply with Kentucky Public Service Commission's notification regulations, the increase in water rates to Cannonsburg Water District shall become effective March 15, 2010, therefore all water passing through the meter on or after March 15th, 2010, shall be billed at the new rate.

Please respond indicating that you have received this letter. Please do not hesitate to contact me should you have any questions regarding this filing.

Sincerely,
CITY OF ASHLAND KENTUCKY

A handwritten signature in black ink, appearing to read "Ryan S. Eastwood". The signature is fluid and cursive, written over a white background.

Ryan S. Eastwood, P.E.
Director of Engineering and Utilities

Enclosure(s)

cc: File

NOTICE

The City of Ashland has filed a proposed rate schedule with the Public Service Commission which will increase the rate for water service provided as follows:

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>% Increase</u>
Cannonsburg Water District	\$1.89 per 1000 gallons	\$2.01 per 1000 gallons	6.35%

The proposed effective date is March 15, 2010. Water flowing through the meter(s) before the effective date will be charged at the current rate. Water flowing through the meter(s) on and after the effective date will be charged at the new proposed rate.

The rates contained in this notice are the rates proposed by the City of Ashland. However, the Public Service Commission 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 the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. Intervention may be granted beyond the thirty (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 application and any other filings made by the utility by contacting Ryan S. Eastwood, P.E., City of Ashland, 1700 Greenup Avenue, Ashland, Kentucky 41105-1839; telephone 606-327-2008.

Any person may examine the rate application and other filings made by visiting the offices of the City of Ashland at 1700 Greenup Avenue in Ashland, Kentucky, or by contacting the Public Service Commission at 211 Sower Boulevard in Frankfort, Kentucky; telephone 502-564-3940.

WATER PURCHASED FROM CITY OF ASHLAND

<u>BILLING</u>	<u>GALLONS</u>	<u>AMOUNT</u>
DECEMBER '08	36,794,000	\$52,615.42
JANUARY '09	39,062,000	55,858.66
FEBRUARY	40,754,000	58,278.22
MARCH	43,781,000	62,606.83
APRIL	34,132,000	48,808.76
MAY	29,182,000	41,730.26
JUNE	38,767,000	55,436.81
JULY	36,757,000	52,562.51
AUGUST	39,021,000	55,800.03
SEPTEMBER	42,203,000	60,350.29
OCTOBER	40,880,000	58,458.40
NOVEMBER	<u>38,664,000</u>	<u>73,074.95</u>
TOTAL	459,997,000	\$575,581.14

WATER SOLD

<u>BILLING</u>	<u>GALLONS</u>	<u>AMOUNT</u>
DECEMBER '08	25,189,600	\$134,399.14
JANUARY '09	23,647,700	138,877.69
FEBRUARY	30,653,700	172,783.25
MARCH	25,593,200	131,042.05
APRIL	23,313,600	125,278.27 – 14,942.44 (customer refunds per PSC)*
MAY	24,875,800	148,463.54 – 14,574.89 (customer refunds per PSC)*
JUNE	29,702,300	170,789.09
JULY	26,939,500	156,266.51
AUGUST	31,249,200	177,501.33
SEPTEMBER	26,513,400	156,842.61
OCOTBER	25,149,000	149,724.40
NOVEMBER	<u>26,286,200</u>	<u>153,187.35</u>
TOTAL	319,113,200	\$1,815,155.23 – 29,517.33 = \$1,785,637.90

*DUE TO CITY OF ASHLAND RATE INCREASE IN 2009. AFTER PSC GAVE ORDER TO INCREASE CWD RATES TO CUSTOMERS THEY RESENDED ORDER DUE TO CITY OF ASHLAND NOT HAVING INFORMATION IN A TIMELY MANNER.

BIG SANDY WATER PURCHASED

MONTH	GALLONS	AMOUNT
DEC '08	314,500	613.28
JAN '09	126,400	246.48
FEB	112,800	231.24
MAR	101,400	207.87
APRIL	126,800	290.37
MAY	194,600	649.9
JUNE	155,600	356.32
JULY	114,800	278.96
AUG	123,000	298.89
SEPT	139,400	338.74
OCT	160,200	389.29
NOV	180,700	439.1
TOTAL	1,850,200	4340.44

For ENTIRE AREA SERVED
Community, Town or City

P.S.C. KY. NO. 1

ORIGINAL Sheet No. 9

CANNONBURG WATER DISTRICT
(Name of Utility)

Canceling P.S.C. KY. NO. _____

Sheet No. _____

RATES AND CHARGES

E. PURCHASED WATER RATES

RATE

CITY OF ASHLAND

\$2.01 PER 1000 GALLONS

F. WHOLESALE WATER SALES

BIG SANDY WATER DISTRICT

\$2.50 PER 1000 GALLONS

CITY OF GREENUP CO.

\$2.50 PER 1000 GALLONS

F. LEAK ADJUSTMENT RATE

\$2.19 PER 1000 GALLONS

Date of Issue FEBRUARY 25, 2010
Month/Date/Year

Date Effective MARCH 15, 2010
Month/Date/Year

Issued by *Steve Reed*
Signature of officer

Title TREASURER

By Authority of Order of the Public Service Commission

In case no. _____ Dated _____

CANNONSBURG WATER DISTRICT
1606 CANNONSBURG ROAD
ASHLAND, KY 41102
606-928-9808
FAX# 606-928-4788

February 25, 2010

Mr. Jimmy Blanton
Manager
Big Sandy Water District
18200 St Rt 3
Catlettsburg, KY 41129-9325

CORRECTED NOTICE!

RE: Wholesale Water Rate Adjustment for Big Sandy Water District

Dear Mr. Blanton;

We have received notification that the City of Ashland will increase our water rate by \$.12 cents per thousand. We will be passing this increase to our customers. Based on our contract for your water use, we will be increasing the per thousand gallon cost from \$2.32 to \$2.50 beginning April 2010 billing. (This is based on the PWA Purchased Water Adjustment according to the Public Service Commission. The PWA rate will be \$.18 cents.) We are submitting this notice simultaneously to the Ky Public Service Commission.

Enclosed is a copy of the letter from the City of Ashland.

Sincerely,



Danny R. Clarkston
Manager

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enclosures

CANNONSBURG WATER DISTRICT
1606 CANNONSBURG ROAD
ASHLAND, KY 41102
606-928-9808
FAX# 606-928-4788

February 25, 2010

Ms. Donna Hullett
Mayor
City of Greenup
1005 Walnut
Greenup, KY 41144

RE: Wholesale Water Rate Adjustment for City of Greenup

Dear Ms. Hullett:

We have received notification that the City of Ashland will increase our water rate by \$.12 cents per thousand. We will be passing this increase to our customers. Based on our contract for your water use, we will be increasing the per thousand gallon cost from \$2.32 to \$2.50 beginning April 2010 billing. (This is based on the PWA Purchased Water Adjustment according to the Public Service Commission. The PWA rate will be \$.18 cents.) We are submitting this notice simultaneously to the Kentucky Public Service Commission.

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Sincerely,



Danny R. Clarkston
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