

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF CANNONSBURG WATER) CASE NO. 2011-00355
DISTRICT)

ORDER

On August 30, 2011, Cannonsburg Water District (“Cannonsburg”) 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. Cannonsburg purchases water from the city of Ashland (“Ashland”) and Big Sandy Water District (“Big Sandy”).
2. Ashland notified Cannonsburg that, effective October 1, 2011, its wholesale rate to Cannonsburg would increase from \$2.12 per 1,000 gallons to \$2.33 per 1,000 gallons.
3. Cannonsburg proposes a purchased water adjustment factor of \$0.28 per 1,000 gallons.
4. Cannonsburg proposes to place the rates into effect October 1, 2011
5. During the 12 months ending July 31, 2011, Cannonsburg purchased 553,066,000 gallons of water from Ashland and 3,070,500 gallons from Big Sandy, and

¹ KRS 278.015; 807 KAR 5:068.

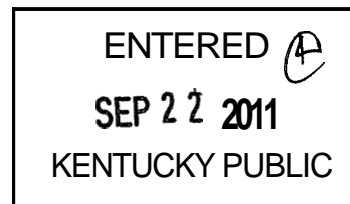
sold 408,036,700 gallons. The increase in the cost of purchased water is \$116,143.86, resulting in a purchased water adjustment factor of \$0.28 per 1,000 gallons.

6. The purchased water adjustment factor of \$0.28 per 1,000 gallons is fair, just, and reasonable and should be approved.

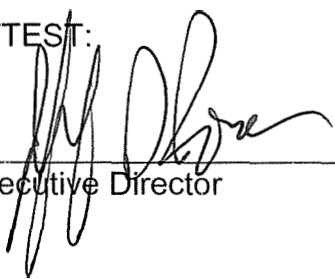
IT IS THEREFORE ORDERED that:

1. Cannonsburg's proposed rates are approved.
2. The purchased water adjustment factor of \$0.28 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are fair, just, and reasonable and are approved for services on or after October 1, 2011.
4. Cannonsburg's proposed tariff sheet filed with the application is approved.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00355 DATED **SEP 22 2011**

	Changed Rate	Base Rate
Ashland		
Purchases in gallons	553,066,000	553,066,000
Volumetric rate	<u>\$ 2.33 /1,000</u>	<u>\$ 2.12/1,000</u>
	\$1,288,643.78	\$1,172,499.92
Big Sandy		
Purchases in gallons	3,070,500	3,070,500
Volumetric rate	<u>\$ No Change</u>	<u>\$ No Change</u>
	Increased water cost	\$ 116,143.86
Increased water cost	\$116,143.86	
Divided by gallons sold	<u>408,036,700</u>	
Purchased water adjustment factor	\$0.28 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00355 DATED **SEP 22 2011**

The following rates and charges are prescribed for the customers in the area served by Cannonsburg 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" Meter

First	2,000 gallons	\$17.48	Minimum Bill
Next	3,000 gallons	6.64	per 1,000 gallons
Next	15,000 gallons	6.26	per 1,000 gallons
Next	30,000 gallons	5.88	per 1,000 gallons
Next	50,000 gallons	5.51	per 1,000 gallons
Over	100,000 gallons	5.11	per 1,000 gallons

1 1/2" Meter

First	5,000 gallons	\$37.40	Minimum Bill
Next	15,000 gallons	6.26	per 1,000 gallons
Next	30,000 gallons	5.88	per 1,000 gallons
Next	50,000 gallons	5.51	per 1,000 gallons
Over	100,000 gallons	5.11	per 1,000 gallons

2" and 3" Meters

First	20,000 gallons	\$131.30	Minimum Bill
Next	30,000 gallons	5.88	per 1,000 gallons
Next	50,000 gallons	5.51	per 1,000 gallons
Over	100,000 gallons	5.11	per 1,000 gallons

6" Meter

First	50,000 gallons	\$307.70	Minimum Bill
Next	50,000 gallons	5.51	per 1,000 gallons
Over	100,000 gallons	5.11	per 1,000 gallons

12" Meter

First	100,000 gallons	\$583.20	Minimum Bill
Over	100,000 gallons	5.11	per 1,000 gallons

<u>Wholesale Volumetric Rate</u>		
Big Sandy Water District	\$2.94	per 1,000 gallons
City of Greenup	\$2.94	per 1,000 gallons
Leak Adjustment Rate	\$2.63	per 1,000 gallons

Danny R Clarkston
Manager
Cannonsburg Water District
1606 Cannonsburg Road
P. O. Box 1535
Ashland, KY 41105