

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF OVERLAND) CASE NO. 2011-00383
DEVELOPMENT, INC.)

ORDER

On September 22, 2011, Overland Development, Inc. ("Overland") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹ The Executive Director rejected Overland's application on September 29, 2011 for failure to comply with 807 KAR 5:067. On October 12, 2011, Overland supplemented its application with additional documents, thereby curing the deficiencies in its application.

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

1. Overland purchases water from Big Sandy Water District ("Big Sandy").
2. Effective December 1, 2011, Big Sandy will increase its volumetric wholesale rate to Overland from \$1.78 per 1,000 gallons to \$1.83 per 1,000 gallons.²
3. Overland proposed a purchased water adjustment factor of \$0.06 per 1,000 gallons.

¹ 807 KAR 5:067.

² Case No. 2011-00373, Purchased Water Adjustment Filing of Big Sandy Water District (Ky. PSC Oct. 10, 2011).

4. During the 12 months ending July 31, 2011, Overland purchased 6,999,500 gallons of water from Big Sandy and sold 5,557,000 gallons. Overland's unaccounted-for water loss exceeds 15 percent. 807 KAR 5:067 requires that its water purchases be adjusted to allow only the unaccounted-for water loss that does not exceed 15 percent.


5. During the 12 months ending July 31, 2011, Overland's allowable gallons purchased is 6,537,647 gallons of water and its total sales was 5,557,000 gallons. The increase in the cost of purchased water is \$326.88, resulting in a purchased water adjustment factor of \$0.06 per 1,000 gallons.

6. The purchased water adjustment factor of \$0.06 per 1,000 gallons is fair, just, and reasonable and should be approved.

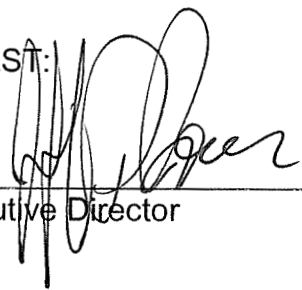
IT IS THEREFORE ORDERED that:

1. Overland's proposed rates are approved.
2. The purchased water adjustment factor of \$0.06 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 service rendered on or after December 1, 2011.
4. Overland's proposed tariff sheet filed with the application, showing the rates approved herein, is approved.

By the Commission

ENTERED 
NOV 04 2011
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2011-00383 DATED **NOV 04 2011**

Calculation of allowable gallons purchased

Total gallons sold for the test period	5,557,000
Divided by .85	<u>1.85</u>
Total allowable gallons purchased	6,537,647

	New Rate	Base Rate
Big Sandy		
Allowable Purchases in gallons	6,537,647	6,537,647
Volumetric rate	<u>\$1.83 /1,000</u>	<u>\$1.78/1,000</u>
	\$ 11,963.89	\$ 11,637.01
Annual Service Charge	<u>\$ 6,549.00</u>	<u>\$ 6,549.00</u>
Total	\$ 18,512.89	\$ 18,186.01

Increased water cost \$ 326.88

Increased water cost	\$ 326.88
Divided by gallons sold	<u>5,557,000</u>
Purchased water adjustment factor	\$0.06 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00383 DATED **NOV 04 2011**

The following rates and charges are prescribed for the customers in the area served by Overland Development, Inc. 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	\$20.16	Minimum Bill
Next	8,000 gallons	7.35	per 1,000 gallons
Next	20,000 gallons	5.57	per 1,000 gallons
Next	20,000 gallons	4.63	per 1,000 gallons
Over	50,000 gallons	3.73	per 1,000 gallons

James C Taylor
Secretary-Treasurer
Overland Development, Inc.
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