

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF
CANNONSBURG WATER DISTRICT

CASE NO.
2013-00481

ORDER

On December 26, 2013, 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.
2. On January 1, 2014, Ashland increased its wholesale rate to Cannonsburg from \$2.58 per 1,000 gallons to \$2.73 per 1,000 gallons.²
3. On January 1, 2014, Cannonsburg increased its water rates to reflect the increased cost of purchased water from Ashland.
4. During the 12 months ended October 31, 2013, Cannonsburg purchased a total of 409,472,000 gallons of water, 407,120,000 gallons of which were purchased from Ashland, and sold 278,486,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2013-00739 (Ky. PSC Filed Nov. 21, 2013); Letter from Dennis Brent Kirtley, Tariff Branch Manager, Public Service Commission, to Ryan Eastwood, Director of Engineering and Utilities, City of Ashland (Dec. 12, 2013).

5. The increase in the cost of purchased water is \$61,068.00, as calculated in Appendix A to this Order, resulting in a purchased water adjustment factor of \$0.22 per 1,000 gallons.

6. The purchased water adjustment of \$0.22 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

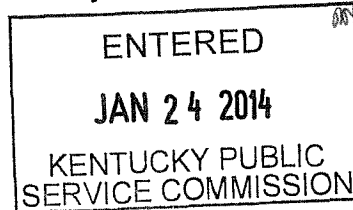
7. Cannonsburg's proposed rates, which are set forth in Appendix B, are fair, just, and reasonable.

IT IS THEREFORE ORDERED that:

1. Cannonsburg's proposed rates are approved.
2. The purchased water adjustment of \$0.22 per 1,000 gallons is approved.
3. The rates in Appendix B are approved for water service rendered on or after January 1, 2014.

4. Within 20 days of the date of this Order, Cannonsburg shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the approved rates.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00481 DATED **JAN 24 2014**

	New Rate	Base Rate
Cannonsburg Purchases in gallons		
Cannonsburg Volumetric rate	407,120,000 <u>\$ 2.73/1,000</u> \$1,111,437.60	407,120,000 <u>\$ 2.58/1,000</u> \$1,050,369.60
	Increased water cost	\$61,068.00
Increased water cost		\$ 61,068.00
Divided by gallons sold/1,000		<u>278,486,000</u> \$ 0.2192
Purchased water adjustment factor		\$0.22 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00481 DATED **JAN 24 2014**

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	\$20.28	Minimum Bill
Next	3,000 Gallons	7.85	per 1,000 Gallons
Next	15,000 Gallons	7.44	per 1,000 Gallons
Next	30,000 Gallons	7.02	per 1,000 Gallons
Next	50,000 Gallons	6.62	per 1,000 Gallons
Over	100,000 Gallons	6.18	per 1,000 Gallons

1-Meter

First	5,000 Gallons	\$43.83	Minimum Bill
Next	15,000 Gallons	7.44	per 1,000 Gallons
Next	30,000 Gallons	7.02	per 1,000 Gallons
Next	50,000 Gallons	6.62	per 1,000 Gallons
Over	100,000 Gallons	6.18	per 1,000 Gallons

2- & 3-Meter

First	20,000 Gallons	\$155.43	Minimum Bill
Next	30,000 Gallons	7.02	per 1,000 Gallons
Next	50,000 Gallons	6.62	per 1,000 Gallons
Over	100,000 Gallons	6.18	per 1,000 Gallons

6-Meter

First	50,000 Gallons	\$366.03	Minimum Bill
Next	50,000 Gallons	6.62	per 1,000 Gallons
Over	100,000 Gallons	6.18	per 1,000 Gallons

12-Meter

First	100,000 Gallons	\$697.03	Minimum Bill
Over	100,000 Gallons	6.18	per 1,000 Gallons

Leak Adjustment Rate	\$4.06	per 1,000 Gallons
----------------------	--------	-------------------

Wholesale Customer

Big Sandy Water District	\$4.06	per 1,000 Gallons
--------------------------	--------	-------------------

City of Greenup Co.	\$4.06	per 1,000 Gallons
---------------------	--------	-------------------

Danny R Clarkston
Manager
Cannonsburg Water District
1606 Cannonsburg Road
Ashland, KY 41105