

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF CANNONSBURG WATER) CASE NO. 2013-00007
DISTRICT)

ORDER

On January 7, 2013, Cannonsburg Water District (“Cannonsburg”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

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 with its January 1, 2013 billing, Cannonsburg’s wholesale water rate would increase from \$2.46 per 1,000 gallons to \$2.58 per 1,000 gallons. Big Sandy notified Cannonsburg that, effective with its November 1, 2012 billing, Cannonsburg’s wholesale water rate would increase from \$3.22 per 1,000 gallons to \$4.65 per 1,000 gallons. Cannonsburg proposes to increase the water rates to its customers effective January 13, 2013.

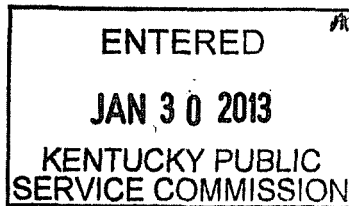
3. During the 12 months ending October 31, 2012, Cannonsburg purchased 3,206,800 gallons from Big Sandy, and 443,071,000 gallons from Ashland. Cannonsburg sold 341,428,120 gallons. The increase in the cost of purchased water is \$57,754.24, resulting in a purchased water adjustment of \$0.17 per 1,000 gallons.

4. The proposed rates by Cannonsburg should be denied.
5. The purchased water adjustment of \$0.17 per 1,000 gallons is fair, just, and reasonable and should be approved.

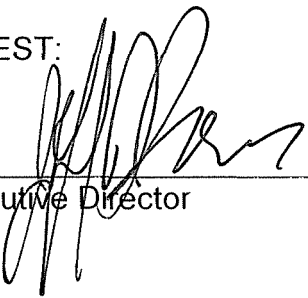
IT IS THEREFORE ORDERED that:

1. The proposed rates by Cannonsburg are denied.
2. The purchased water adjustment of \$0.17 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after January 13, 2013.
3. 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 rates approved herein.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00007 DATED **JAN 30 2013**

	<u>New Rate</u>	<u>Base Rate</u>	
Cannonsburg Water Purchases in gallons			
Ashland	443,071,000	443,071,000	
Big Sandy	3,206,800	3,206,800	
Volumetric rate			
Ashland	\$2.58/1,000	\$2.46/1,000	
Big Sandy	<u>\$4.65/1,000</u>	<u>\$3.22/1,000</u>	
	\$1,158,034.80	\$1,100,280.56	
		Increased water cost	\$57,754.24

Increased water cost	\$ 57,754.24
Divided by gallons sold	<u>341,428,120</u>
Purchased water adjustment factor	\$0.17 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00007 DATED **JAN 30 2013**

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	\$19.84 Minimum Bill
Next 3,000 Gallons	7.63 Per 1,000 Gallons
Next 15,000 Gallons	7.22 Per 1,000 Gallons
Next 30,000 Gallons	6.80 Per 1,000 Gallons
Next 50,000 Gallons	6.40 Per 1,000 Gallons
Over 100,000 Gallons	5.96 Per 1,000 Gallons

1 1/2" Meter

First 5,000 Gallons	\$42.73 Minimum Bill
Next 15,000 Gallons	7.22 Per 1,000 Gallons
Next 30,000 Gallons	6.80 Per 1,000 Gallons
Next 50,000 Gallons	6.40 Per 1,000 Gallons
Over 100,000 Gallons	5.96 Per 1,000 Gallons

2" & 3" Meter

First 20,000 Gallons	\$151.03 Minimum Bill
Next 30,000 Gallons	6.80 Per 1,000 Gallons
Next 50,000 Gallons	6.40 Per 1,000 Gallons
Over 100,000 Gallons	5.96 Per 1,000 Gallons

6" Meter

First 50,000 Gallons	\$355.03 Minimum Bill
Next 50,000 Gallons	6.40 Per 1,000 Gallons
Over 100,000 Gallons	5.96 Per 1,000 Gallons

12" Meter

First 100,000 Gallons	\$675.03 Minimum Bill
Over 100,000 Gallons	5.96 Per 1,000 Gallons

Leak Adjustment Rate

\$3.84 per 1,000 Gallons

Wholesale Water Rates

Big Sandy Water District
City of Greenup Co.

\$3.84 per 1,000 Gallons

\$3.84 per 1,000 Gallons

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