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AUG 26 2019

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF BIG SANDY WATER)
 DISTRICT FOR A CERTIFICATE OF PUBLIC)
 CONVENIENCE AND NECESSITY TO)
 CONSTRUCT A SYSTEM IMPROVEMENTS) CASE NO. 2019-00275
 PROJECT AND AN ORDER APPROVING A)
 CHANGE IN RATES AND AUTHORIZING)
 THE ISSUANCE OF SECURITIES PURSUANT)
 TO KRS 278.023)

** *** **** ***** **** *** **

SUPPLEMENTAL FILING IN RESPONSE TO INFORMAL CONFERENCE

The Applicant, Big Sandy Water District (the "District"), by Counsel, files this supplemental filing in response to the August 21, 2019 Informal Conference:

Memorandum of Joseph F. Sisler, P.E., Sisler-Maggard Engineering, PLLC, the Engineer for the District with attached revised Proposed Rate Schedule.

Respectfully Submitted,
Rubin & Hays

By 
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Supplemental Filing was duly mailed by first class United States Postal Service mail to all parties of record in this proceeding on this 23rd day of August, 2019.



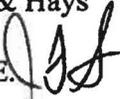
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SME: 15030
08/22/2019

Memo
Big Sandy Water District
Phase V Water System Improvements

To: Randy Jones – Rubin & Hays

From: Joseph F. Sisler, P.E. 

Re: Case No. 2019-0027 Application for CPCN
Proposed Water Rate Schedule affecting
Formerly Overland Development and Cannonsburg Water District

Pursuant to discussion with Ms. Frederick & Staff with PSC yesterday at 2 p.m. our comments are as follows:

1. The intent of the **PROPOSED RATES** by BSWD is to bill the former customers of Overland Development under Division 1 and eliminate Division 2 as included in PSC Case No. 2016-00423. The Big Sandy Water District purchased Overland Development System in 2016 and currently operates and maintains the former facilities under the Big Sandy Water District and continuously bills those customers under the Division 2 of tariff. By eliminating the operation and maintenance of an existing approximately 121 resident private water system and now operating under the umbrella of an approximate 4700 customer water system, the rates for Overland Development can be lowered to match the **proposed rates** of formerly Division 1 and not reduce revenue.

The Overland Development has 121 residential customers with 5/8" x 3/4" meters. In the calendar year 2018, these 121 customers used 4,929,400 gallons. This computes to an average bill of 3400 gal./month. That **current** average bill would be \$39.49. Using the "Proposed Rate Schedule" the average bill for 3400 gal./month would be \$40.81. Therefore, the former Overland Development customers will be paying an average of \$1.32 additional per month on their average bill.

2. Also, the BSWD has concluded that due to lack of amount of wholesale water purchased by the Cannonsburg Water District over last 3 years (2017 - 16,400 gal, 2018 - 9,400 gal, 2019 to date - 0 gal), the BSWD wishes to bill them off the proposed rate schedule and eliminate the wholesale rate included in PSC case No. 2016-00423. The Cannonsburg Water District has one point of purchase from a 2" meter.
3. We concur that the Proposed Rate Schedule set out in our F.E.R. (Final Engineering Report) and application for Certificate of Convenience and Necessity may be confusing as stated herein. It is the District's intent to eliminate the two (2) rates for Overland Development & Cannonsburg Water District. Subsequently, we have included herewith the "Revised" Proposed Rate Schedule.

Attachment

Cc/ Ms. Rhonda Logan, USDA – Rural Development – Lexington w/enclosure
Ms. Teresa Brown, BSWD w/enclosure

PROPOSED

A. Recommended Rate Schedule with RUS Grant:

Meter Size 5/8":

First 1,000 Gallons @ \$ 18.25 Minimum.

Next 9,000 Gallons @ \$ 9.40 per 1,000 Gallons.

Next 10,000 Gallons @ \$ 6.40 per 1,000 Gallons.

Next 20,000 Gallons @ \$ 5.95 per 1,000 Gallons.

All Over 40,000 Gallons @ \$ 5.70 per 1,000 Gallons

Meter Size 1":

First 10,000 Gallons @ \$ 102.85 Minimum.

Next 10,000 Gallons @ \$ 6.40 per 1,000 Gallons.

Next 20,000 Gallons @ \$ 5.95 per 1,000 Gallons.

ALL OVER 40,000 Gallons @ \$ 5.70 per 1,000 Gallons.

Meter Size 1 1/2":

First 20,000 Gallons @ \$ 166.85 Minimum.

Next 20,000 Gallons @ \$ 5.95 per 1,000 Gallons.

ALL OVER 40,000 Gallons @ \$ 5.70 per 1,000 Gallons.

Meter Size 2":

First 40,000 Gallons @ \$ 285.85 Minimum.

ALL OVER 40,000 Gallons @ \$ 5.70 per 1,000 Gallons.

Meter Size 3":

First 100,000 Gallons @ \$ 627.85 Minimum.

ALL OVER 100,000 Gallons @ \$ 5.70 per 1,000 Gallons.

PROPOSED

Meter Size 4" :

First 200,000 Gallons @ \$ 1,197.85 Minimum.

ALL OVER 200,000 Gallons @ \$ 5.70 per 1,000 Gallons.

Former Overland Development Water System Customers

Meter Size 5/8" :

First 1,000 Gallons @ \$ 18.25 Minimum.

Next 9,000 Gallons @ \$ 9.40 per 1,000 Gallons.

Next 10,000 Gallons @ \$ 6.40 per 1,000 Gallons.

Next 20,000 Gallons @ \$ 5.95 per 1,000 Gallons.

All Over 40,000 Gallons @ \$ 5.70 per 1,000 Gallons

Wholesale Water Rate

Cannonsburg Water District

\$5.70 per 1,000 gallons

Rates based on monthly consumption and calculated per 100 gallons