COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)CASE NO.OF OVERLAND DEVELOPMENT, INC.)2002-00398

<u>O R D E R</u>

On November 4, 2002, Overland Development, Inc. (Overland) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. 807 KAR 5:067.

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

1. Overland purchases water from Big Sandy Water District (Big Sandy).

2. Big Sandy notified Overland that effective with its November 1, 1999 billing its wholesale water rate would increase from \$0.72 per 1,000 gallons to \$0.74 per 1,000 gallons. Overland proposes to increase the water rates to its customers effective with the date of this Order.

3. During the 12 months ending September 30, 2002, Overland purchased a total of 6,685,000 gallons of water and sold 5,891,000 gallons. The increase in the cost of purchased water is \$134.00, resulting in a purchased water adjustment of \$0.02 per 1,000 gallons and not Overland s proposed adjustment of \$0.05 per 1,000 gallons.

4. The rates proposed by Overland should be denied.

5. The purchased water adjustment of \$0.02 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.02 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 the date of this Order.

2. Within 20 days of the date of this Order, Overland shall file with the Commission revised tariff sheets showing the rates approved herein.

3. Within 20 days of the date of this Order, Overland shall file with the Commission a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 2nd day of December, 2002.

By the Commission

ATTEST:

1)2) ~ Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00398 DATED December, 2, 2002

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

5/8 Inch Meter

First	2,000	gallons
Next	8,000	gallons
Next	20,000	gallons
Next	20,000	gallons
All Over	50,000	gallons

\$ 16.04	Minimum bill
5.72	per 1,000 gallons
4.22	per 1,000 gallons

- 3.43 per 1,000 gallons
- 2.67 per 1,000 gallons