

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG SANDY WATER DISTRICT ) CASE NO. 2002-00330  
FOR A PURCHASED WATER ADJUSTMENT )

and

APPLICATION OF BIG SANDY WATER DISTRICT ) CASE NO. 2006-00200  
FOR A PURCHASED WATER ADJUSTMENT )

ORDER

On October 14, 2002, the Commission entered an Order in Case No. 2002-00330 in which we adjusted the rates of Big Sandy Water District to reflect an increase in the rates of its water supplier. Similarly, on June 8, 2006, we entered an Order in Case No. 2006-00200 to adjust the water district's rates to reflect another increase in its water supplier's rates.

Following the issuance of the latter Order, the Commission has discovered errors in our calculation of the rates in the earlier Order. These errors resulted in rates in the earlier Order that did not accurately reflect Big Sandy Water District's increased purchased water costs and led to further errors in the latter Order.<sup>1</sup>

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<sup>1</sup> Big Sandy Water District's billing system is automated and requires water district officials only to input its water supplier's new rates to calculate and bill the rates necessary to recover increased purchased water costs. Because Big Sandy Water District officials entered this information into the billing system on both occasions and failed to note the discrepancy between the computer generated rates and the Commission authorized rates, the water district has been assessing the correct rates throughout the period in question. Telephone interview by Brent Kirtley, Manager, Tariffs Branch, Kentucky Public Service Commission, with Teresa Brown, Bookkeeper, Big Sandy Water District (July 13, 2006).

Accordingly, the Commission HEREBY ORDERS, nunc pro tunc, that:

1. The rates set forth in Appendix A of the Order of October 14, 2002 in Case No. 2002-00330 are stricken and replaced with the rates that are set forth in Appendix A of this Order.

2. The rates set forth in Appendix A of the Order of June 8, 2006 in Case No. 2006-00200 are stricken and replaced with the rates that are set forth in Appendix B of this Order.

Done at Frankfort, Kentucky, this 19<sup>th</sup> day of July, 2006.

By the Commission

ATTEST:



Executive Director

## APPENDIX A

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASES NO. 2002-00330 AND NO. 2006-00200 DATED July 19, 2006.

The following rates and charges are prescribed for the customers in the area served by Big Sandy Water District for service received on and after October 14, 2002 and before June 8, 2006. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to October 14, 2002.

#### Monthly Water Rates

##### 5/8 x 3/4 Inch Meter

|       |        |         |          |                   |
|-------|--------|---------|----------|-------------------|
| First | 2,000  | gallons | \$ 15.32 | Minimum bill      |
| Next  | 8,000  | gallons | 5.76     | per 1,000 gallons |
| Next  | 20,000 | gallons | 4.63     | per 1,000 gallons |
| Next  | 20,000 | gallons | 3.87     | per 1,000 gallons |
| Over  | 50,000 | gallons | 3.11     | per 1,000 gallons |

##### 1" Meter

|       |        |         |          |                   |
|-------|--------|---------|----------|-------------------|
| First | 10,000 | gallons | \$ 61.40 | Minimum bill      |
| Next  | 20,000 | gallons | 4.63     | per 1,000 gallons |
| Next  | 20,000 | gallons | 3.87     | per 1,000 gallons |
| Over  | 50,000 | gallons | 3.11     | per 1,000 gallons |

##### 1 1/2" Meter

|       |        |         |          |                   |
|-------|--------|---------|----------|-------------------|
| First | 30,000 | gallons | \$154.00 | Minimum bill      |
| Next  | 20,000 | gallons | 3.87     | per 1,000 gallons |
| Over  | 50,000 | gallons | 3.11     | per 1,000 gallons |

##### 2" Meter

|       |        |         |          |                   |
|-------|--------|---------|----------|-------------------|
| First | 50,000 | gallons | \$231.40 | Minimum bill      |
| Over  | 50,000 | gallons | 3.11     | per 1,000 gallons |

##### 3" Meter

|       |         |         |           |                   |
|-------|---------|---------|-----------|-------------------|
| First | 100,000 | gallons | \$ 386.90 | Minimum bill      |
| Over  | 100,000 | gallons | 3.11      | per 1,000 gallons |

##### 4" Meter

|       |         |         |           |                   |
|-------|---------|---------|-----------|-------------------|
| First | 200,000 | gallons | \$ 697.90 | Minimum bill      |
| Over  | 200,000 | gallons | 3.11      | per 1,000 gallons |

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASES NO. 2002-00330 AND NO. 2006-00200 DATED July 19, 2006.

The following rates and charges are prescribed for the customers in the area served by Big Sandy Water District for service received on and after June 8, 2006. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to June 8, 2006.

#### Monthly Water Rates

##### 5/8 x 3/4 Inch Meter

|       |        |         |          |                   |
|-------|--------|---------|----------|-------------------|
| First | 2,000  | gallons | \$ 15.46 | Minimum bill      |
| Next  | 8,000  | gallons | 5.83     | per 1,000 gallons |
| Next  | 20,000 | gallons | 4.70     | per 1,000 gallons |
| Next  | 20,000 | gallons | 3.94     | per 1,000 gallons |
| Over  | 50,000 | gallons | 3.18     | per 1,000 gallons |

##### 1" Meter

|       |        |         |          |                   |
|-------|--------|---------|----------|-------------------|
| First | 10,000 | gallons | \$ 62.10 | Minimum bill      |
| Next  | 20,000 | gallons | 4.70     | per 1,000 gallons |
| Next  | 20,000 | gallons | 3.94     | per 1,000 gallons |
| Over  | 50,000 | gallons | 3.18     | per 1,000 gallons |

##### 1 1/2" Meter

|       |        |         |          |                   |
|-------|--------|---------|----------|-------------------|
| First | 30,000 | gallons | \$156.10 | Minimum bill      |
| Next  | 20,000 | gallons | 3.94     | per 1,000 gallons |
| Over  | 50,000 | gallons | 3.18     | per 1,000 gallons |

##### 2" Meter

|       |        |         |          |                   |
|-------|--------|---------|----------|-------------------|
| First | 50,000 | gallons | \$234.90 | Minimum bill      |
| Over  | 50,000 | gallons | 3.18     | per 1,000 gallons |

##### 3" Meter

|       |         |         |           |                   |
|-------|---------|---------|-----------|-------------------|
| First | 100,000 | gallons | \$ 393.90 | Minimum bill      |
| Over  | 100,000 | gallons | 3.18      | per 1,000 gallons |

##### 4" Meter

|       |         |         |           |                   |
|-------|---------|---------|-----------|-------------------|
| First | 200,000 | gallons | \$ 711.90 | Minimum bill      |
| Over  | 200,000 | gallons | 3.18      | per 1,000 gallons |