

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF BIG SANDY WATER) CASE NO. 2013-00040
DISTRICT)

ORDER

On January 30, 2013, Big Sandy Water District ("Big Sandy") 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. Big Sandy purchases water from Cannonsburg Water District ("Cannonsburg"), Rattlesnake Ridge Water District, and the cities of Kenova, West Virginia and Louisa, Kentucky.

2. On January 13, 2013, Cannonsburg increased its wholesale water rate to Big Sandy from \$3.67 per 1,000 gallons to \$3.84 per 1,000 gallons.²

3. On January 13, 2013, Big Sandy increased its water rates to its customers to reflect the increase in its purchased water costs due to Cannonsburg's rate adjustment.

4. During the 12 months ending November 30, 2012, Big Sandy purchased a total of 369,217,500 gallons of water, 56,751,700 of which were from Cannonsburg,

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2013-00007, Purchased Water Adjustment Filing of Cannonsburg Water District (Ky. PSC Jan. 30, 2013) (retroactively approving Cannonsburg's rate adjustment).

and sold 253,328,000 gallons. The increase in the cost of purchased water is \$9,647.79, resulting in a purchased water adjustment of \$0.04 per 1,000 gallons.

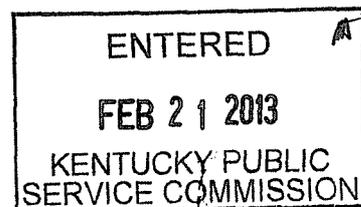
5. The purchased water adjustment of \$0.04 per 1,000 gallons, the calculation of which is shown at Appendix A of this Order, is fair, just, and reasonable and should be approved.

6. Big Sandy's proposed rates, which are set forth in Appendix B to this Order, are fair, just, and reasonable and should be approved for service rendered on and after January 13, 2013.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.04 per 1,000 gallons is approved.
2. Big Sandy's proposed rates are approved for water service rendered on and after January 13, 2013.
3. Big Sandy's tariff sheets, as filed in Big Sandy's application, are approved.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2013-00040 DATED FEB 21 2013

	New Rate	Base Rate
Big Sandy Purchases in gallons		
Cannonsburg	56,751,700	56,751,700
Volumetric rate	<u>\$ 3.84/1,000</u>	<u>\$ 3.67/1,000</u>
	\$217,926.53	\$208,278.74
	Increased water cost	\$9,647.79
Increased water cost	\$ 9,647.79	
Divided by gallons sold/1,000	<u>253,328,000</u>	
	\$ 0.038	
Purchased water adjustment factor	\$0.04 per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00040 DATED FEB 21 2013

The following rates and charges are prescribed for the customers in the area served by Big Sandy 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	\$23.49	Minimum Bill
Next	8,000 Gallons	6.19	per 1,000 Gallons
Next	20,000 Gallons	5.71	per 1,000 Gallons
Next	20,000 Gallons	5.29	per 1,000 Gallons
Over	50,000 Gallons	5.06	per 1,000 Gallons

1" Meter

First	10,000 Gallons	\$73.00	Minimum Bill
Next	20,000 Gallons	5.71	per 1,000 Gallons
Next	20,000 Gallons	5.29	per 1,000 Gallons
Over	50,000 Gallons	5.06	per 1,000 Gallons

1 1/2" Meter

First	30,000 Gallons	\$187.20	Minimum Bill
Next	20,000 Gallons	5.29	per 1,000 Gallons
Over	50,000 Gallons	5.06	per 1,000 Gallons

2" Meter

First	50,000 Gallons	\$293.00	Minimum Bill
Over	50,000 Gallons	5.06	per 1,000 Gallons

3" Meter

First	100,000 Gallons	\$546.00	Minimum Bill
Over	100,000 Gallons	5.06	per 1,000 Gallons

4" Meter

First	200,000 Gallons	\$1,052.00	Minimum Bill
Over	200,000 Gallons	5.06	per 1,000 Gallons

Wholesale Customer

Overland Development	\$4.69 per 1,000 Gallons
Cannonsburg Water District	\$4.69 per 1,000 Gallons

Mr. Jimmy Blanton
Superintendent
Big Sandy Water District
18200 Kentucky Route #3
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