

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF BIG SANDY WATER DISTRICT) CASE NO. 2009-00402

ORDER

On October 5, 2009, 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 the City of Louisa ("Louisa"), City of Kenova ("Kenova"), Rattlesnake Ridge Water District ("Rattlesnake Ridge") and the Cannonsburg Water District ("Cannonsburg").
2. Louisa raised its wholesale rate to Big Sandy from \$2.32 per 1,000 gallons to \$2.46 per 1,000 gallons effective October 30, 2009.
3. Kenova eliminated one of the surcharges it applied to Big Sandy, a \$0.02 per-1,000-gallon fee.
3. Big Sandy proposed a purchased water adjustment factor of \$0.02 per 1,000 gallons.
4. Big Sandy proposed an effective date of November 1, 2009.
5. During the 12 months ended July 31, 2009, Big Sandy purchased 76,657,400 gallons of water from Louisa, 229,565,000 gallons from Kenova, 4,429,300

¹ KRS 278.015; 807 KAR 5:068.

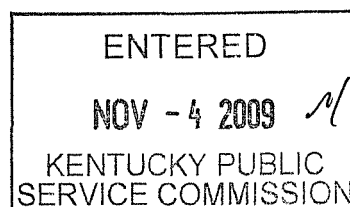
gallons from Rattlesnake Ridge, 55,330,900 gallons from Cannonsburg, and it sold 261,113,300 gallons. The increase in the cost of purchased water is \$6,141, resulting in a purchased water adjustment factor of \$0.02 per 1,000 gallons.

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

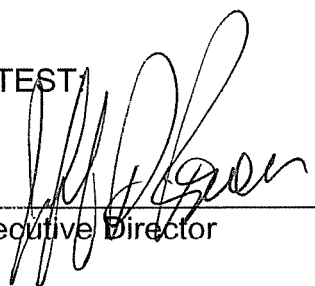
IT IS THEREFORE ORDERED that:

1. The rates proposed by Big Sandy are approved.
2. The purchased water adjustment factor of \$0.02 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services on or after November 1, 2009.
4. Within 20 days of the date of this Order, Big Sandy shall file with the Commission 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. 2009-00402 DATED **NOV - 4 2009**

	New Rate	Base Rate
Kenova		
Purchases in gallons	229,565,000	229,565,000
Volumetric rate	<u>\$ 0.00 /1,000</u>	<u>\$ 0.02/1,000</u>
	\$0.00	\$ 4,591.30
 Louisa		
Purchases in gallons	76,657,400	76,657,400
Volumetric rate	<u>\$ 2.46 /1,000</u>	<u>\$ 2.32/1,000</u>
	\$188,577.20	\$ 177,845.17
 Rattlesnake Ridge	no change	
Kenova	no change	
	Increased water cost	\$ 6,141

Increased water cost	\$6,141
Divided by gallons sold	261,113,300
Purchased water adjustment factor	\$0.02 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00402 DATED **NOV - 4 2009**

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 Inch Meter

First	2,000 gallons	\$17.22	Minimum Bill
Next	8,000 gallons	6.71	per 1,000 gallons
Next	20,000 gallons	5.58	per 1,000 gallons
Next	20,000 gallons	4.82	per 1,000 gallons
Over	50,000 gallons	4.06	per 1,000 gallons

1 Inch Meter

First	10,000 gallons	\$70.90	Minimum Bill
Next	20,000 gallons	5.58	per 1,000 gallons
Next	20,000 gallons	4.82	per 1,000 gallons
Over	50,000 gallons	4.06	per 1,000 gallons

1 1/2 Inch Meter

First	30,000 gallons	\$182.50	Minimum Bill
Next	20,000 gallons	4.82	per 1,000 gallons
Over	50,000 gallons	4.06	per 1,000 gallons

2 Inch Meter

First	50,000 gallons	\$278.90	Minimum Bill
Over	50,000 gallons	4.06	per 1,000 gallons

3 Inch Meter

First	100,000 gallons	\$481.90	Minimum Bill
Over	100,000 gallons	4.06	per 1,000 gallons

4 Inch Meter

First	200,000 gallons	\$887.90	Minimum Bill
Over	200,000 gallons	4.06	per 1,000 gallons

Wholesale volumetric rate
Overland Development Inc.

\$1.79 per 1,000 gallons

Cannonsburg Water District

\$2.45 per 1,000 gallons

Mr. Jimmy Blanton
Superintendent
Big Sandy Water District
18200 Kentucky Route #3
Catlettsburg, KY 41129