

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF BIG SANDY WATER) CASE NO. 2012-00161
DISTRICT)

O R D E R

On April 27, 2012, 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, the city of Kenova (“Kenova”), the city of Louisa, and Rattlesnake Ridge Water District.
2. Kenova notified Big Sandy that, effective April 13, 2012, Kenova’s wholesale water rate to Big Sandy would increase from \$1.79 per 1,000 gallons to \$2.55 per 1,000 gallons.
3. Big Sandy proposed to increase the water rates to its customers effective May 1, 2012.
4. During the 12 months ending February 29, 2012, Big Sandy purchased a total of 381,481,920 gallons of water, 226,563,220 of which were from Kenova, and sold 250,096,400 gallons. The increase in the cost of purchased water is \$172,188.05, resulting in a purchased water adjustment of \$0.69 per 1,000 gallons.

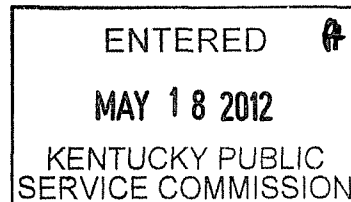
¹ KRS 278.015; 807 KAR 5:068.

5. The purchased water adjustment of \$0.69 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Big Sandy's proposed rates are approved.
2. The purchased water adjustment of \$0.69 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are fair, just, and reasonable and are approved for service rendered on or after May 1, 2012.
4. The tariff sheets filed by Big Sandy are approved as filed.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00161 DATED **MAY 18 2012**

	New Rate	Base Rate
Big Sandy Purchases in gallons		
City of Kenova	226,563,220	226,563,220
Volumetric rate	<u>\$ 2.55/1,000</u>	<u>\$ 1.79/1,000</u>
	\$ 577,736.21	\$ 405,548.16
	Increased water cost	\$172,188.05
Increased water cost		\$ 172,188.05
Divided by gallons sold		<u>250,096,400</u>
Purchased water adjustment factor		\$0.69 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00161 DATED MAY 18 2012

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	\$18.76	Minimum Bill
Next	8,000 Gallons	7.48	per 1,000 Gallons
Next	20,000 Gallons	6.35	per 1,000 Gallons
Next	20,000 Gallons	5.59	per 1,000 Gallons
Over	50,000 Gallons	4.83	per 1,000 Gallons

1" Meter

First	10,000 Gallons	\$78.60	Minimum Bill
Next	20,000 Gallons	6.35	per 1,000 Gallons
Next	20,000 Gallons	5.59	per 1,000 Gallons
Over	50,000 Gallons	4.83	per 1,000 Gallons

1 1/2" Meter

First	30,000 Gallons	\$205.60	Minimum Bill
Next	20,000 Gallons	5.59	per 1,000 Gallons
Over	50,000 Gallons	4.83	per 1,000 Gallons

2" Meter

First	50,000 Gallons	\$317.40	Minimum Bill
Over	50,000 Gallons	4.83	per 1,000 Gallons

3" Meter

First	100,000 Gallons	\$558.90	Minimum Bill
Over	100,000 Gallons	4.83	per 1,000 Gallons

4" Meter

First	200,000 Gallons	\$1041.90	Minimum Bill
Over	200,000 Gallons	4.83	per 1,000 Gallons

Wholesale Customer

Wholesale rate to Overland Development will be a monthly service charge of \$545.75, plus \$2.56 per thousand gallons.

Wholesale rate to Cannonsburg Water District will be \$3.22 per thousand gallons on all meters.

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