

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF WEST MCCRACKEN)	
COUNTY WATER DISTRICT TO REVISE ITS)	CASE NO.
METER CONNECTION CHARGE)	2017-00122

ORDER

On February 8, 2017, West McCracken Water District (“West McCracken”) submitted an application for authority to revise its meter connection charge through the Commission’s tariff filing system. Finding that further proceedings were necessary to determine the reasonableness of the proposed increase, the Commission issued an Order on March 8, 2017, suspending the proposed charge from March 10, 2017, up to and including August 9, 2017. On April 11, 2017, Commission Staff’s First Request for Information (“Staff’s First Request”) was filed into the record, with responses due by April 28, 2017. On April 27, 2017, West McCracken filed responses to Staff’s First Request. On June 1, 2017, Commission Staff’s Second Request for Information (“Staff’s Second Request”) was filed into the record, with responses due by June 15, 2017. On June 15, 2017, West McCracken filed responses to Staff’s Second Request. West McCracken did not request an informal conference or a hearing. No party requested intervention into this proceeding.

West McCracken proposed to use the estimated length of 70 feet for road boring in its long-side service calculation at a cost of \$12 per foot.¹ West McCracken contracts

¹ Application at Average Meter Connection Expense Cost Justification, section D (2).

with a local contractor, D.W. Excavating, to perform meter installations. Responding to Staff's First Request, West McCracken supported the estimated 70-foot length with invoices from recent long-side service installations.² When West McCracken last increased its meter connection charge in PSC Case Number 2006-00542,³ 50 feet was the length used for road boring expense in the long-side service calculation.

For the period January 1, 2007, through December 31, 2016, West McCracken installed 184 service connections.⁴ All 184 service connections installed during this period were made on two-lane state or county roads.⁵ Therefore, all residential service connections installed during this period were made on two-lane state or county roads.

Keith Murt of Murco Inc. provided a price quote to West McCracken for meter sets and directional boring. The estimated length for directional boring in the quote was 50 feet, and the supporting comments for this length stated that the average road bore would be between 40 feet and 50 feet for a standard two-lane county road.⁶ West McCracken provided no compelling evidence demonstrating a change in the rural nature of the system that would support the use of 70 feet for a road bore in its calculation.

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

² Response to Staff's First Request, Exhibit 1.

³ Case No. 2006-00542, *Application of West McCracken Water District for Approval of a Proposed Increase in Rates for Water Service, to Increase Non-Recurring Charges, and to Revise Its Tariff Accordingly*, (Ky. PSC June 22, 2007).

⁴ Response to Staff's Second Request at Exhibit 1.

⁵ *Id.*

⁶ Response to Staff's First Request, Exhibit 3.

1. West McCracken has not provided adequate evidence of the proposed road-boring expense incurred to provide the services associated with the proposed meter connection charge.

2. The length of 50 feet for directional road boring should be used in the calculation for long-side service. The resulting calculations reduce the proposed average installation labor expense by \$120.⁷

3. The proposed meter connection charge is not supported by the expenses incurred to provide the associated services and should be denied.

4. The charges set forth in the Appendix to this Order are fair, just, and reasonable, and should be approved.

IT IS THEREFORE ORDERED that:

1. West McCracken's proposed meter connection charge is denied.

2. The charges in the Appendix are approved for services rendered on and after the date of this Order.

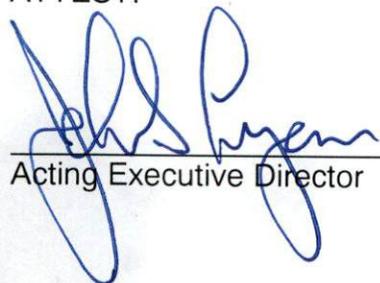
3. Within 20 days of the date of this Order, West McCracken shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

⁷ Difference of 70 feet – 50 feet = 20 feet x \$12 per foot charge= \$240 divided by two to average short-side and long-side service = \$120.

By the Commission

ENTERED
JUL 27 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Acting Executive Director

Case No. 2017-00122

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00122 DATED **JUL 27 2017**

The following rates, charges, and policies are prescribed for the customers in the area served by West McCracken Water District. All other rates, charges, and policies 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.

METER CONNECTION CHARGE:

5/8-Inch X 3/4-Inch Meter

\$ 1,280.00

*West McCracken County Water District
8020 Ogden Landing Road
West Paducah, KY 42086

*Sheila Mansfield
West McCracken County Water District
8020 Ogden Landing Road
West Paducah, KY 42086