COMMONWEALTH OF KENTUCKY

BEFORE THE UTILITY REGULATORY COMMISSION

* * * * *

In the Matter of

THE COMPLAINT OF MR. FRED PFANNENSCHMIDT, LOUISVILLE, KENTUCKY AGAINST HIGHVIEW SEWER DISTRICT

CASE NO. 7692

ORDER

On August 8, 1979 the Commission received a letter from Mr. Fred Pfannenschmidt, Jr., Gibson/Pfannenschmidt Realtors, Louisville, Kentucky (Appendix "A") questioning certain charges including those designated "tap-on-fees" by the Highview Sewer District, Inc. (Highview) to a building on Vaughn Mill Road in Louisville owned by Mr. Pfannenschmidt.

By letter received August 17, 1979 (Appendix "B") Mr. Richard Treitz, President, Highview, advised that Highview did not own the sewers, had not recieved tap-on-fees or monthly service charges and that the payment from Mr. Pfannenschmidt was for his share of the construction costs of the sewer extension to his property.

By letter received September 11, 1979 (Appendix "C") Mr. Pfannenschmidt provided additional information to the Commission with respect to the charges, the number of "spaces" in the building and a description of the facilities in the spaces.

On September 19, 1979 Highview filed a tariff with the Commission including a residential rate. The filing stated that rates applicable to commercial customers were subject to negotiation.

The Commission, having considered the matter and being advised, hereby ORDERS that this matter be and it hereby is set for hearing on the 25th day of January, 1980, at 10:00 a.m., Eastern Standard Time, in the Commission's offices at Frankfort, Kentucky. for the purpose of considering the rates, charges and operations of Highview Sewer District, Inc. IT IS FURTHER ORDERED That Highview Sewer District, Inc. shall appear at the scheduled hearing and present testimony relative to this matter.

Done at Frankfort, Kentucky, this 3rd day of January, 1980.

UTILITY REGULATORY COMMISSION

For the Commission

ATTE hand for Secretary



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UTILITY REGULATORY COMMISSION

CENTRAL OFFICE P. O. BOX 14385 5115 SO. THIRD STREET LOUISVILLE, KY. 40214 PHONE 367-9191

August 7, 1979

Mr. Richard Heman Secretary of Utility Regulatory Commission P.O. Box 615 Frankfort, Kentucky 40602

Subject: Connection Fees for Private sewer plant

Dear Mr. Heman:

It has been brought to my attention there may be a law regarding tap on fees for private sewer plants when the cost of extending the sewer line was paid by someone other than the owner of the plant.

The connection in question is on a building I have on Vaughn Mill Road in Louisville, Kentucky. The sewer plant is Highview Sewer District. I have paid \$4,000. for one connection and in order to complete the space in the building I must pay additional fees as outlined in the two attached letters.

Please advise.

Sincerely,

GIBSON/PFANNENSCHMIDT REALTORS red Pfannenschmidt, Jr.

HIGHVIEW SEWER DISTRICT, INC. <u>3510 NEWBURG ROAD</u> LOUISVILLE, KENTUCKY LO218

August 15, 1979

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UTILITY REGULATORY COMMISSION

Mr. Richard Heman, Secretary Utility Regulatory Commission P. O. Box 615 Frankfort, Kentucky 40602

Dear Mr. Heman:

This is in response to your letter to Highview Sewer District, Inc. dated August 10, 1979 with regard to the correspondence you received from Mr. Fred Pfannenschmidt, Jr. of Gibson/Pfannenschmidt, Realtors.

Highview Sewer District, Inc. does not and has never owned the sewers to which Mr. Pfannenschmidt connected his building, Highview <u>did not receive any tap-on fees</u> or any other type of payment from the matter in question.

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Highview does receive the monthly sewer service charge for treating the sewage from Mr. Pfannemschmidt's building.

- The payment from Mr. Pfannenschmidt was for his share of the construction costs of the sewers that were extended to his property. The payment went to the two companies that paid for the construction of these sewers that extended the sewers to this commercial area. I trust these comments are what you requested.

Yours very truly,

HIGHVIEW SEWER DISTRICT. INC.

Richard H. Treitz, President (502) 459-7069 (says No -wong number)

893-5341 R.H.Theitz



September 10, 1979

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UTILITY REGULATORY COMMISSION

CENTRAL OFFICE P. O. BOX 14385 5115 SO. THIRD STREET LOUISVILLE, KY. 40214 PHONE 367-9191

Mr. Richard Heman Secretary of Utility Regulatory Commission P. O. Box 615 Frankfort, Kentucky 40602

Dear Mr. Heman:

In your letter dated August 8, 1979 you advised that tap on fees were not permitted by private utilities. I have since talked with Burns Fairchild and there seems to be a question if your statement is applicable in this case. Here is the situation.

In late 1977 and early 1978 <u>Pioneer American Enterprise inc.</u> extended the sewer line owned by John Treitz and Sons Contractors. The sewer plant is owned by Highview Sewer District, Richard Treitz, President.

As I understand it this district serves the following:

- 1. A shopping center at Fegenbush Ln. and Vaughn Mill Rd.
- 2. Gulf Service Station
- 3. Ashland Service Station
- 4. Highview Subdivision
- 5. Houses on Peppermill
- 6. Gibson/Pfannenschmidt Office
- 7. Dentist Office

Our building is divided into five spaces. One sewer connection is run into the building. We are charged \$4000.00 hook on fee plus \$30.00 a month for each office with two rest rooms and \$2000.00 plus \$30.00 a month for each office with one rest room (a rest room consist of one commode and one lavatory only).

Please advise if these tap on fees are legal and the charge of \$30.00 a month is in keeping with the regulations on service charges.

I expect to pay what is legal and right. However, I do have a responsibility to the pwner of the building and tenants.

Please advise.

Sincerely,

GIBSON/PPANNENSCHMIDT REALTORS Fred Pfannenschmidt, Jr.