

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES FOR)
KEN IMPROVEMENT, INC.,)
FOR SEWAGE TREATMENT SERVICE) CASE NO. 8537

O R D E R

IT IS ORDERED that Ken Improvement, Inc., shall file an original and seven copies of the following information with this Commission by July 15, 1982. Where a number of sheets are required for an item, each sheet should be appropriately indexed; for example, Item 1(a), page 2 of 5. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case will be dismissed.

Information Request No. 1

1. Provide a complete explanation of the relationship between Ken Improvement and Kentucky Enterprises including common stockholders, employees, etc. Also indicate whether the books of account of Ken Improvement are kept separately from the books of any associated companies.

2. Is Kentucky Enterprises the developer of the Ken Acres and Meadow Run subdivisions and did the developer recover the cost of the sewer utility plant through the sale of lots?

3. Provide a complete explanation of the Advances from Associated Companies in the amount of \$89,877 shown on the

balance sheet of the annual report filed with the Commission for the year ended December 31, 1981. Show the reasons for and date of each advance.

4. Provide any and all documents related to and detailing the transfer of the utility plant from the developer to Ken Improvement.

5. Provide a schedule showing amounts and dates for all dividend declarations since the inception of the company.

6. Provide a complete explanation of the interest expense accrued during 1981 in the amount of \$9,969. Explain how an interest rate of 7 percent applied to the balance of \$89,877 of advances can result in interest expense in excess of \$6,291.

7. Explain the revenue item identified as meter rebates on line 20 of the income statement in the 1981 annual report filed with the Commission.

8. Indicate whether there is any difference in the service provided that would support the continuation of different rates for the two subdivisions.

9. Provide copies of the utility bills for the calendar year 1981 that account for the \$2,063 in expense shown on line 13, page 9, of the 1981 annual report.

10. Provide in as much detail as possible an item-by-item description of all maintenance expenditures during the calendar year 1981 in excess of \$40. Do not include the monthly payment for routine maintenance service but indicate to whom this payment is made.

Done at Frankfort, Kentucky, this 23rd day of June, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Voh

For the Commission

ATTEST:

Secretary