

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION FOR RECON-)
SIDERATION OF EAST CLARK)
COUNTY WATER DISTRICT FOR AN) CASE NO. 8644
ADJUSTMENT OF RATES PURSUANT)
TO THE ALTERNATIVE PROCEDURE)
FOR SMALL UTILITIES)

O R D E R

IT IS ORDERED that East Clark County Water District ("East Clark") shall file an original and six copies of the following information with the Commission, with a copy to the Attorney General's Division of Consumer Protection by March 15, 1983. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. Item No. 4 (a and b) of the response dated February 25, 1982 contains an analysis of certain expenses incurred as a result of a malfunction of the telemetering equipment. Provide the following concerning this Item.

- a) Were any of the mileage or salary expenses listed incurred in calendar year 1981? If so provide the date and the actual amount of expense incurred.
- b) Furnish a detailed narrative explanation concerning the derivation of 30 hours per

month for 16 months in relation to salary expense and how this expense relates to the telemetering malfunction damage claim.

2. Item No. 3 of the Commission's Order dated February 22, 1983 requested the amount and the basis for any proposed adjustment(s) (increases or decreases) in the volume of bulk water sales as reported for calendar year 1981. The issue of purchases by J. K. Smith Power Plant from the bulk stations was raised by East Clark in the application for reconsideration and in the response dated February 25, 1983. However, at this point no information has been provided which would allow the Commission to determine the amount of an adjustment concerning this issue. If there is no reasonable basis for an adjustment to reduce the test year volume of bulk sales the Commission must use the actual test year volume. Furthermore, since the rate per 1,000 gallons sold increased during the test year, the adjusted revenue must be based on the actual test year sales volume and the rate of \$3.50 per 1,000 gallons sold.1/

1/ This was the basis of the adjustment to revenue in the original order.

Done at Frankfort, Kentucky, this 3th day of March, 1983.
PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:

Secretary