

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF DEWITT)
WATER DISTRICT FOR AN) CASE NO. 8798
ADJUSTMENT OF RATES)
PURSUANT TO THE ALTERNATE)
PROCEDURE FOR SMALL UTILITIES)

O R D E R

IT IS ORDERED that Dewitt Water District ("Dewitt") shall file an original and seven copies of the following information with the Commission, with a copy to the Attorney General's Division of Consumer Protection, by May 11, 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. Provide the name and address of each Commissioner of Dewitt along with his or her personal mailing address. If, during the course of these proceedings, any changes occur in commission membership, provide an update to this request.
2. a) Is Dewitt aware of the Commission's policy to compute depreciation expense for rate-making purposes on the basis of the original cost of the plant in service less contributions in aid of construction?
b) If you are in disagreement with this policy provide a detailed explanation as to why this policy should not be applied in determining the revenue requirements in this case.

3. Page 2 from the application reflects an amount totalling \$400 and is described as "Debt Amortization." Dewitt's 1982 Annual Report does not reflect this item. Provide an explanation as to the nature of this item and why it is included in the operating statement filed with the application.
4. Provide a copy of the purchased water contract between Dewitt and East Knox County Water District.
5. Dewitt's 1982 Annual Report reflects line loss for the period of 31.52 percent. Provide a detailed explanation of any measures that are being taken to reduce this loss.
6. a) Is Dewitt aware of the Commission's policy to disallow for rate-making purposes purchased water costs associated with line loss in excess of 15 percent?
b) If you are in disagreement with this policy provide a detailed explanation as to why this policy should not be applied in determining the revenue requirements in this case.
7. The test period operating statement reflects an amount totalling \$1,886 and is identified as "Maintenance and Repairs." Provide a detailed breakdown of this account as shown in attached

Format No. 1. Amounts under \$50 may be grouped within a common classification.

8. The 1982 Annual Report reflects the following amounts for Salaries and Labor:

Operation Labor	\$ 303
Meter Reading Labor	\$ 825
Account & Collecting Labor	\$ 546
Administrative & General Salaries	\$ <u>660</u>
Total	\$ <u>2,334</u>

Provide the following information concerning these amounts.

- a) The name of each party which received compensation, the amount received, and the total hours worked for the test period.
 - b) The method used to compute the rate of compensation (i.e. hourly rate, periodic salary, units of production).
 - c) A description of the duties performed by those parties listed in Part a).
9. The operating statement filed with the application reflects that an expense amounting to \$100 was incurred during the test period for a "Regulatory Commission Fee." Provide the year or years to which this assessment applies.
10. Provide a detailed breakdown for rate case expense of \$1,500 which is listed in the application. The breakdown should include the names of the parties providing services for this case, the hourly rate to be charged, a description of the

services to be provided, and the total amount to be charged to Dewitt for this case.

11. Provide the source(s) of miscellaneous non-operating income of \$227 and interest income of \$71 listed for the test period.
12. Provide an explanation for the changes (increases or decreases) in the following test period operating statement accounts as compared to calendar year 1981.
 - a) Maintenance of Mains decreased by \$1,389 (86%)
 - b) Maintenance of Services increased by \$1,113 (850%)
 - c) Office Supplies increased by \$127 (747%)
 - d) Miscellaneous Expenses increased by \$140 (100%)
 - e) Interest Income decreased by \$151 (68%)

The numbers in parentheses represent the percentage change as compared to 1981 results.

13. Provide a breakdown of contributions in aid of construction (Account No. 271) into the following classifications at December 31, 1982.
 - a) Tap-on Fees
 - b) Grants
 - c) Other

Done at Frankfort, Kentucky, this 22nd day of April, 1983.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary

Dewitt Water District

Case No. 8798

Maintenance and Repairs

Calendar Year 1982

Amount

Date Description Reference (Cr. No., Invoice, etc.) Materials Labor Other Total