

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

APPLICATION OF TRI-VILLAGE)
WATER DISTRICT FOR AN ADJUSTMENT)
OF RATES PURSUANT TO THE) CASE NO. 8834
ALTERNATIVE PROCEDURE FOR SMALL)
UTILITIES)

O R D E R

IT IS ORDERED that Tri-Village Water District ("Tri-Village") shall file an original and seven copies of the following information with the Commission with a copy to all parties of record by July 1, 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 annual principal and interest requirements for the years 1982 through 1987 for the following long and short term debt:

Waterworks Revenue Bonds of 1962 -	\$218,000
Waterworks Revenue Bonds of 1969 -	\$250,000
Notes Payable -	\$ 35,000

2. With reference to the Tri-Village Statement of Operations for the years 1981-1982-1983, the statement shows actual revenue and expenses for the years 1981 and 1982 with projections of increased revenues and expenses for the year 1983. It is the Commission's policy to allow only increases to actual

test year (1982) expenses that are known and measurable. Each increase to an actual operating expense for the test period requires a full explanation for the increase in the particular expense substantiated by an invoice indentifying the increase. Enclosed, you will find a copy of the Commission's statement entitled Comparative Income Statement which will assist you in making this analysis.

3. On the auditor's statement of proprietary capital for the year ended December 31, 1982, the account Contributions in Aid of Construction has an end of year balance of \$189,027.05, and on page 3 of the 1982 annual report it shows \$184,827.05. The difference of \$4,200 is classified as Customer Advances for Construction in the annual report. Do you consider all or any portion of the \$4,200 refundable, or is it a permanent contribution?

4. Provide the following information concerning actual purchased water expense of \$64,257.04 and the pro forma expense of \$48,475.81:

a. Provide a monthly analysis of actual water cost for the test period related to the gallons of water purchased and payments made to the City of Owenton.

b. Has the City of Owenton notified Tri-Village of an increase in the cost of water during the test period?

c. Provide a copy of the most recent water contract with the City of Owenton.

5. Provide copies of all invoices over \$100 for the account maintenance of mains of \$20,723.26.

6. Regarding meter reading labor of \$7,027.60 and accounting and collecting labor of \$12,121.25, provide the following information:

- a. Name of employees and titles.
- b. Base salary or salaries.
- c. Number of hours worked per week in the performance of duties.

7. On the auditors statement of operations office supplies and other expense shows a test period cost of \$4,674.57 and the 1981 annual report shows \$4,474.57 or a difference of \$200. Please explain this difference. Moreover, provide a copy of all invoices over \$50 related to test period expense in this account.

8. Provide further information concerning employee expense reimbursement of \$1,920 including the persons receiving these funds, related work titles, and the related work assignment.

9. Provide the following information with regard to truck expenses of \$6,935.70:

- a. Type of vehicle used in the operation of the water district (truck, car, etc.).
- b. Are these vehicles assigned to a particular employee? Provide the name and working title of the employee.
- c. Average usage (miles) per month for each vehicle.
- d. Has there been any major repairs made to the vehicles during the test period? If the answer is yes, submit a copy of the vendor repair invoice.

10. Provide a detailed analysis of taxes other than income taxes of \$2,663.73. The auditor's statement of operations

identifies the total amount as payroll taxes. However, the 1981 annual report on page 13, shows payroll taxes of \$1,373.63 and other taxes (not identified) of \$1,290.09. Also, identify the account which has been charged for the annual PSC assessment.

11. On page 4, item 2 of the application, the total number of customers is shown as 790 and the 1982 annual report shows 785, a difference of 5 customers. The 1981 annual report shows 859 customers indicating a loss of approximately 70 customers. Please clarify these differences.

12. On the auditor's statement of financial position, customers deposits shows a end of year balance of \$2,320 and on page 3, line 18, the account shows \$2,090, a difference of \$230. Please explain this difference.

13. Provide cost justification for the proposed connection fee, reconnect charge, charge to collect delinquent bills and returned check charge.

14. Provide the amount proposed to be charged and cost justification for the meter reading charge.

15. Provide any studies, surveys, comparisons or other reasons for the proposed change in rate design.

16. Provide number of meters in use larger than 5/8-inch x 3/4-inch and number of customers on each size meter.

17. Provide the total gallons sold to bulk sales customers for the 12-month test period.

18. Have bulk sales been included in the billing analysis?

19. Is the fire hydrant rate to be deleted from the tariff?

20. The billing analysis shows revenues of \$165,719.89. The statement of operations (including bulk sales) shows \$159,605.20. Please reconcile the difference.

Done at Frankfort, Kentucky, this 14th day of June, 1983.

PUBLIC SERVICE COMMISSION

A handwritten signature in cursive script, appearing to read "Len Shuck", is written over a horizontal line.

For the Commission

ATTEST:

Secretary

