

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

NOTICE OF ELAM UTILITY COMPANY,)
INC., TO INCREASE ITS RATES FOR) CASE NO. 8929
GAS SERVICE)

O R D E R

IT IS ORDERED that Elam Utility Company, Inc., ("Elam") shall file an original and eight copies of the following information within 2 weeks of the date of this Order, or by January 30, 1984, whichever comes later. 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 following information about the Miscellaneous Labor Expense of \$960 incurred for help in putting in new lines in Keeton Heights and Wells Hill:

- a) Did these replace old lines?
- b) Was this construction financed through DLG?
- c) Does DLG financing cover all construction costs - including labor?
- d) Why was this labor expensed rather than capitalized?

2. Provide an analysis of Mr. Phillips' duties, including the following information:

- a) A detailed itemization of the hours worked during an average working week.
- b) A comparative analysis of Mr. Phillips' working duties at present and his duties prior to the system being rebuilt.

3. With Mr. and Mrs. Phillips both on 24-hour call why was it necessary for Mr. Donald Gwin to be on call after hours during September 1982 and during the gas convention?

4. Of the legal service invoices submitted in the analysis of Outside Services Employed, the August 1982 and May 1983 invoices specify PGA-related work. For what reasons were the expenses shown on the other invoices incurred?

5. Provide a detailed description and explanation for the miscellaneous work performed by Randy Risner and James Bradley that was charged to Miscellaneous General Expenses.

6. Provide explanations for the following expenditures and expected benefits:

- a) Christmas bonuses and meal - \$451.
- b) Seminar and convention expenses - \$900.
- c) Institutional advertising - \$126.
- d) Charitable donations - \$60.

7. Explain why, during the recent reconstruction of the system, Elam did not make use of the Job Development Investment Tax Credit.

8. Elam's outstanding debt carries an interest rate of 5.125 percent and it currently shows a deficit equity balance. Given these factors, what is the basis for the requested return on rate base of 10.1 percent?

Done at Frankfort, Kentucky, this 13th day of January, 1984.

PUBLIC SERVICE COMMISSION



for the Commission

ATTEST:

Secretary