

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APPLICATION OF CARROLL COUNTY)
WATER DISTRICT NO. 1 FOR A) CASE NO. 8960
CERTIFICATE OF CONVENIENCE AND)
NECESSITY)

ORDER

IT IS ORDERED that Carroll County Water District No. 1 ("Carroll County") shall file an original and six copies of the following information with the Commission with a copy to all parties of record by March 21, 1984. Carroll County shall also furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each area of information requested. If neither the requested information nor a motion for an extension of time is file by the stated date, the case may be dismissed.

1. The 1984 Annual Report shows 1,232,200 gallons sold to unmetered customers with revenues of \$2,465. What rates are charged for these sales? Please provide a billing analysis for the 35 customers who purchase water through unmetered sales, showing gallons sold, and present and proposed revenue.

2. The 1982 Annual Report shows 500,100 gallons sold for fire protection with revenue of \$1,049.17. The 1983 Annual Report shows 500,100 gallons sold and revenue collected at \$655.83.

(a) Please explain the difference in revenue of \$393.34 since the same number of gallons were sold.

(b) At what rate do you presently sell water for fire protection?

(c) Please provide your proposed rates and revenue for fire protection.

3. On the income statement for year ended December 31, 1983, you show revenue from water sales as \$145,237. On the billing analysis filed February 1, 1984, water revenue is listed as \$136,543. In Item 5 of a response to an information request, received February 17, 1984, it was stated that the difference of \$8,694 was because the billing analysis did not include unmetered and public fire protection sales, and that the remaining difference is offage. The 1983 Annual Report lists revenue from unmetered sales as \$2,465 and revenue from fire protection as \$656. This results in a difference of \$5,573 attributed to offage.

(a) Please explain what the district means by the term offage.

(b) Please explain in detail what accounts for the difference of \$5,573.

4. Provide copies of any studies, comparisons, surveys or other documentation upon which the proposed change in rate design was based.

5. Please provide cost data showing the cost to deliver 1,000 gallons of water in order to assure that all rate steps are compensatory.

6. Please explain why you propose to increase the second step of your rate structure by 100 percent, the third step by 150 percent, and the last step by a maximum of only 70 percent? Please explain how this will be equitable for the small user as well as the large user.

7. Please provide the following related to your Maintenance Agreement:

- (a) A copy of the Maintenance Contract;
- (b) Name(s) of person(s) for whom services are provided;
- (c) A list of services provided;
- (d) How are the expenses associated with this service accounted you?

8. Provide copies of invoices for Office Supplies and Other Expenses (limited to invoices of \$50 and over.)

9. Provide the current price per 1,000 gallons paid to the Carrollton Utilities Commission for purchased water.

10. Although gallons of water sold (residential) increased by 2,755,000 gallons from 1982, revenue for this sale of water decreased by \$57,326.47. Please state the reasons why this occurred.

Done at Frankfort, Kentucky, this 2nd day of March, 1984.

PUBLIC SERVICE COMMISSION


By the Commission

ATTEST:

Secretary