

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF TRI-VILLAGE )  
WATER DISTRICT FOR AN ORDER ) CASE NO. 9025  
PERMITTING THE APPLICANT TO )  
REVISE ITS RATES )

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 within 20 days from the date of this Order. Tri-Village 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 filed by the stated date, the case may be dismissed.

It is the policy of this Commission to allow only known and measurable increases to actual test year expenses which can be substantiated by submitting a copy of invoices and other related material in support of the increase to the actual expense.

1. On Exhibit No. 2, page 1 an adjustment has been made reducing bulk water sales by \$4,775 and a related adjustment to purchased water of \$2,268. Provide a copy of the computations and, also, the basis for making these adjustments.

2. The 1983 Annual Report of Tri-Village has an attachment following page 12 which shows line losses of 10,062,800 gallons in addition to the 8,601,334 gallons reported as line loss and other unaccounted for water on page 12, line 12. Did Tri-Village receive payment for any of this water? If so, what account was credited?

3. Provide a copy of the invoices for the following test year expenses: (Limited to invoices of \$100 and over)

Maintenance of Mains \$24,400. (Also, provide a detailed analysis of the pro forma adjustment of \$5,000 related to storage tank repair and maintenance.)

Office Supplies and other Expenses \$5,139.

Outside Services Employed \$2,960.

Transportation Expenses \$6,069.

4. In making a comparative analysis of customer accounts expenses for the calendar years 1982-1983, the Commission finds that meter reading labor has increased 26.3 percent, and accounting and collecting labor 36.5 percent. Please account for these increases.

5. Provide a copy of all invoices pertaining to insurance expense for the test period of \$1,028. The invoice should state the type of coverage and the period of the policy.

6. Provide a detailed analysis including all assumptions made regarding the pro forma adjustment related to back hoe expenses of \$11,797, annually.

7. Provide a depreciation schedule related to depreciation expense of \$21,748.

8. Provide the following information concerning the pro forma rate case expense adjustment of \$2,300:

a. Name and title of person receiving fee related to legal, accounting, engineering and administrative labor.

b. Hourly rate in each instance.

c. Provide a detailed analysis of each fee showing the estimated time to be spent, the specific hours spent to date, each duty performed and the charge for each segment of the service related to the rate application.

9. Exhibit 2, page 1, shows payroll taxes of \$2,949, and the annual report for 1983, page 12, shows the following analysis of other taxes:

Payroll Taxes	\$1,498.45
Sales Taxes	\$1,450.85

Is the amount shown as sales taxes also included in operating revenues for the test period? If so, what type of water sales did Tri-Village include a charge for sales taxes?

10. Provide a breakdown of the costs included in the accounts Employee Pensions and Benefits of \$1,542 and Miscellaneous General Expenses of \$2,176.

11. Provide the following information relative to interest expense on long term debt of \$15,015, and adjusted interest expense on notes payable of \$6,420:

a. Provide an amortization schedule concerning long term debt of \$331,000 which shows the annual principal and interest requirements through the period of the loan.

b. Provide a copy of each note concerning notes payable of \$53,000 which shows the interest rate, period of the note and the purpose or use of the proceeds for each note.

12. On Exhibit 3, page 1, Paid in Capital of \$53,551.56 is included in the computation of capitalization. Provide the source of these funds and where these funds are accounted for on the test period balance sheet.

13. Tri-Village's present rate schedule consists of four separate rate schedules. Please explain the difference in the service provided to the different customer classes. Also, explain the basis for assigning customers to the various classes.

14. No rate is shown for tank sales. Please explain the type of facilities provided for the furnishing of tank sales service (coin operated, etc.) and provide the rate charged.

15. Provide a billing analysis prepared according to the instructions in Attachment 1 for both the present and proposed rates. This is necessary in order that the revenue from present and proposed rates may be determined.

16. Are any special charges such as tap-on fees, reconnection fees, customer requested meter test fees, etc., proposed to be established or increased? If so, provide cost justification for each. If no increase is proposed, please state whether present special charges, if any, are compensatory.

17. Are any meters larger than 5/8-inch X 3/4-inch presently in use? If so, please provide a list showing meter sizes, the number of customers served through each meter size and

the test year usage for each size. Please state whether these customers and usage have been included in the billing analysis.

18. Exhibit 2, Page 1, shows a decrease in bulk sales of \$4,775. Please explain the method and basis for this adjustment. Explain what adjustment, if any, has been made to the billing analysis for this decrease.

19. Provide additional information required in support of the motion for emergency rates as shown in Attachment 2.

Done at Frankfort, Kentucky, this 3rd day of May, 1984.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

Acting Secretary \_\_\_\_\_