

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE KENTUCKY PUBLIC SERVICE)
COMMISSION VS. AUDUBON) CASE NO. 9078
ENTERPRISES, INC., AND SOUTHEAST)
DAVISS COUNTY WATER DISTRICT)

SHOW CAUSE ORDER

On February 2, 1984, this Commission received a letter from Mr. Ralph W. Johnson, Jr., requesting an investigation into the rates charged by Audubon Enterprises, Inc., ("Audubon") for sewer services provided to residents of the Thorobred East Subdivision in Owensboro, Kentucky. Southeast Daviess County Water District ("Southeast Daviess") was also named in the complaint because of the billing services it provides to Audubon. The letter alleges that Audubon's customers are being charged 7.5 cents per 1,000 gallons over the authorized rate.

A Certificate of Convenience and Necessity was granted to Audubon in November, 1976, authorizing sewer rates at that time equal to 100 percent of the water rate charged by Southeast Daviess. Audubon contends that the overcharge was effected when Southeast Daviess received a rate increase for water sales and subsequently charged its customers the new rate. Thus, Southeast Daviess increased its sewer bills to Audubon's customers to reflect the increase granted Southeast Daviess for water service. Further, Audubon contends that it was unaware of the actions of

Southeast Daviess until a letter from this Commission brought the complaint to its attention. Since Audubon should have noticed any increased revenues forwarded by Southeast Daviess, the Commission is of the opinion that abnormalities may exist in the agency relationship that Southeast Daviess holds with Audubon. Therefore, the Commission finds that Southeast Daviess, while serving only as a billing agent for Audubon, should be a party to this proceeding.

In order to determine the appropriate course of action, the Commission finds that Audubon and Southeast Daviess should submit a billing analysis for Audubon's customers from the effective date of Southeast Daviess' rate increase to the date of this Order.

IT IS THEREFORE ORDERED that pursuant to KRS 278.260 Audubon and Southeast Daviess shall appear before the Commission and give testimony as to why Audubon should not refund the overcollection, if in fact Audubon actually received the revenue from the overcollection, or if a refund is due Audubon's customers from Southeast Daviess.

IT IS FURTHER ORDERED that Audubon and Southeast Daviess shall file an original and six copies of a billing analysis for the customers of Audubon from the effective date of Southeast Daviess' rate increase up to the date of this Order.

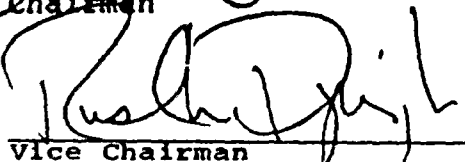
IT IS FURTHER ORDERED that if the customers of Audubon are currently being charged rates for sewer service that are different from those approved in the attached tariff, Audubon and its billing agent, Southeast Daviess, shall cease and desist from charging unapproved rates.

IT IS FURTHER ORDERED that this matter be and it hereby is set for hearing on July 25, 1984, at 1:30, Eastern Daylight Time, in the Commission's offices at Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 19th day of June, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

Form for filing Rate Schedules

Theobred East Subdivision
 For Highway #34 East, Devless Co., Ky.
 Community, Town or City

P.S.C. NO. 1

Original SHEET NO. 1

CANCELLING P.S.C. NO. _____

SHEET NO. _____

Audubon Enterprises, Inc.

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RATE
PER UNIT

Applicable: Residential and Commercial users

Rate: The rates for monthly sewer service rendered by Audubon Enterprises, Inc., to the Theobred East Subdivision of Devless County, Kentucky shall be as listed below on the basis of monthly water usage.

Gallons		Rate
0 - 2,000	@	\$5.00 Minimum Bill
2,001 - 10,000	@	\$1.00 per 1,000 Gallons
10,001 - 20,000	@	0.80 per 1,000 Gallons
20,001 - 40,000	@	0.80 per 1,000 Gallons
over - 40,000	@	0.70 per 1,000 Gallons

Responsibility for collection of monthly sewer service charges has been agreed to and will be provided by the Southeast Devless Co., Ky. water district

Penalty: A 10% penalty will be imposed if bills are not paid by due date.

Deposit: The deposit required for customer to secure service shall be the basis of 2/12's of customers estimated annual bill.

CHECKED
 PUBLIC SERVICE COMMISSION
 JAN 21 1977
 by _____
 ENGINEERING DIVISION

DATE OF ISSUE January 21, 1977

DATE EFFECTIVE May 1, 1977

ISSUED BY Thomas M. Thompson
 Name of Officer

TITLE President

Issued by authority of an Order of the Public Service Commission of Ky. in Case No. 6872 dated December 29, 1976