

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

\* \* \* \* \*

In the Matter of:

AN ADJUSTMENT OF RATES OF THE )  
AUXIER WATER COMPANY, INC. ) CASE NO. 9308

O R D E R

IT IS ORDERED that Auxier Water Company, Inc., ("Auxier Water") shall file an original and ten 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. Auxier Water 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 practice of this Commission to allow only known and measurable increases to actual test year expenses which can be substantiated by appropriate documentation (invoices or other related material) supporting increases to the actual expense. Please review your application in light of the following questions and file any additional support which may be necessary.

1. Provide an analysis of Administrative and General Salaries of \$8,704 giving the following information:

- a. Name of employees.
  - b. Title and duties of each employee.
  - c. Number of hours worked each month or week.
  - d. Amount of monthly salary and/or hourly rate.
2. Provide a detailed analysis of Employee Pensions and Benefits and Taxes in the amount of \$7,567, especially in the area of any taxes included within this account. Provide a copy of the tax bills.
  3. Provide a copy of the tax bills representing taxes of \$804 as shown on page 22 of the 1984 Annual Report.
  4. Provide the purpose of the two buildings being rented at \$6,000 per year and to whom the rent is being paid.
  5. On line 23, page 18 of the 1984 Annual Report, you show "Aid in Construction" of \$2,500. Does this amount represent a contribution made by a customer related to your construction program? If not please describe.
  6. On Exhibit No. 7, part 1, you show promissory notes totalling \$42,753, and in part 3, a SBA loan of \$57,700 at 4 percent for 10 years. Provide further detailed documentation as to the purpose and use of these funds.
  7. Provide the base salary and/or hourly wage of Auxier Water's operation and maintenance employee, Mr. Victor Goble.
  8. Provide a copy of the computation related to pro forma payroll tax of \$247 appearing on Exhibit No. 5, item no. 3.

9. Provide a detailed breakdown with a full description of major expenses included in these accounts for the test period. (Items less than \$50 may be grouped and repetitive or like items may be consolidated and shown as a single or combined amount.)

Meter Expenses	\$ 1,870
Maintenance of Meters	13,626
Office Supplies and Other Expenses	5,386
Outside Services Employed	3,150
Property Insurance	4,779
Miscellaneous General Expenses	1,512
Transportation Expense	4,355
Repairs and Maintenance	3,624

10. What is the total number of customers presently being served by Auxier Water Company?

11. Provide the Commission with a copy of the City of Prestonsburg's tariff to Auxier showing the change in the wholesale rate from the past rate to the present rate.

12. Provide the Commission with a roster of the customers presently being served by the utility and the actual test year usage figure for each customer.

13. In Exhibit 10 of the application, Auxier indicated that 580 customers were billed at the end of December instead of the 549 customers used in the test year billing analysis. Approximately when were these additional customers added on to the utility's system?

Done at Frankfort, Kentucky, this 29th day of April, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Jensen  
For the Commission

ATTEST:

Secretary