

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CHARLES COMBS & K.J. WOODRUFF	)	
COMPLAINANTS	)	
VS.	)	CASE NO. 10132
JESSAMINE COUNTY WATER DISTRICT NO. 1	)	
DEFENDANT	)	

O R D E R

IT IS ORDERED that Jessamine County Water District No. 1 ("Jessamine County") shall file an original and 10 copies of the following information with the Commission, with a copy to all parties of record. For each response, identify the witness who will be available at the public hearing to respond to questions on that matter. The information requested is due no later than April 21, 1988. If the information cannot be provided by this date, a motion for an extension of time must be submitted stating the reason for the delay and the date by which the information can be furnished. The Commission will give due consideration to such motions.

1. Identify the witnesses which Jessamine County plans to call in this case and their relationship to Jessamine County. Please provide a brief summary of their testimony.

2. How many customers does Jessamine County presently serve?

3. How many of these customers are served by master meters?

4. Of the customers served by a master meter, how many are residential customers (apartment buildings, trailer parks, multi-unit dwellings)? How many are commercial or industrial customers?

5. Explain the purpose of Rule 24 in Jessamine County's existing tariff.

6. In its answer to the Commission's Order of January 25, 1988, Jessamine County states Rule 24 of its existing tariff, "prevent[s] a subsidy by other customers for multiple unit customers with a single meter." Please explain.

7. Rule 24 of Jessamine County's existing tariff uses the term "housing units." Define "housing units."

8. To what extent does Jessamine County's interpretation of Rule 24 rely upon the Commission's Order dated July 11, 1986, in Case No. 9567, The Application Of Jessamine County Water District No. 1 For (1) A Certificate Of Public Convenience And Necessity, Authorizing And Permitting Said Water District To Construct Waterworks Distribution System Improvements, Consisting Of An Elevated Storage Tank, With Pumping Station And Appurtenances And Approximately 3,000 Feet Of Water Transmission Lines; (2) Approval Of The Proposed Plan Of Financing Said Project; And (3) Approval Of Increased Water Rates Proposed To Be Charged By The District To Its Customers? To what extent does Jessamine County's interpretation of Rule 24 rely upon the letter (Attachment 1) of June 2, 1986, sent to Parrot, Ely & Hurt by the Commission Staff?

9. How is the number of housing units determined?

10. Does Jessamine County attempt to determine if the units in a multi-unit structure served by a master meter are occupied? Why or why not?

11. Are customers informed as to the number of units for which they are being billed? How? If not, why not?

12. Provide the names and addresses of customers, if any, who have complained about Jessamine County's billing practices for master metered customers. Describe the nature and list the date of each complaint. What action was taken on each complaint? If any complaint was in writing, provide a copy of it.

13. Provide a copy of Jessamine County's contract(s) to provide water to 3003 Park Central Avenue.

14. What size water meter is used to serve 3003 Park Central Avenue?

15. What information about Jessamine County's tariffs, rules and regulations is provided to builders who are planning to build structures within Jessamine County's service area? When is it provided?

16. On February 19, 1988, Jessamine County filed a proposed amendment to its tariff. Why was this amendment filed?

Done at Frankfort, Kentucky this 8th day of April, 1988.

ATTEST:

PUBLIC SERVICE COMMISSION

\_\_\_\_\_  
Executive Director

*Richard D. Solomon, Jr.*  
\_\_\_\_\_  
For The Commission



COMMONWEALTH OF KENTUCKY  
**PUBLIC SERVICE COMMISSION**  
730 SCHENKEL LANE  
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FRANKFORT, KY. 40602  
(502) 564-3940

June 2, 1986

Mr. Lyle Harmon  
Parfot, Ely and Hurt, Engineers  
620 Euclid Avenue  
P.O. Box 22738  
Lexington, KY 40522

Dear Mr. Harmon:

RE: Case No. 9567

As we discussed after the hearing on May 28, 1986, I am enclosing copies of my billing analysis work papers which may be of help to you in preparing future billing analyses.

In Part A, Page 2, the usage and bills were taken from Ms. Blakeman's original worksheet, then divided into the various rate levels and totaled by rate level. These totals were then transferred the first section on Part A, Page 1, and calculations made to adjust the usage so that the total gallons billed at each rate level could be determined. In the second section on this page the test year rates were applied to determine the test year revenue which should have been generated. In these calculations, the 6 multi-unit customers were considered as single customers. The resulting revenue is within 1.3 percent of the test year revenue shown in the annual report.

Pages 4a and 4b of Part B lists each of the multi-unit customers and their actual test year usage by month, along with the number of units served by each and the average monthly usage per unit. Pages 3b through 3g show actual average per unit usage added in the appropriate usage level and the offsetting single-customer usage removed from the larger usage levels. Page 3a is a summary of the above. Page 2 shows the adjustments made to the test year usage and bills used in Part A in order to determine the correct number of billing units and usage at each usage level under the current billing procedure. The adjusted bills and usage were then divided into the various rate levels.

Section 1, Page 1, shows calculations determining the total gallons to be billed at each rate level. In section 2, the current rates were applied to determine the revenue that should be generated by current rates under the new billing procedure. As

Attachment 1

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Page 2

you can see, approximately \$12,562 more revenue would be generated from current rates under the new billing procedure than under the old billing procedure.

The last section applies the proposed rates to the same bills and usage to determine revenue which should be generated from these rates. This shows an increase of \$85,508 above the actual test year revenue and \$72,947 above the normalized test year.

Should you have any questions about the methods used, please feel free to call. I hope this will be of help in preparing future billing analyses.

Sincerely,

PUBLIC SERVICE COMMISSION

Barbara H. Jones  
Public Utility Rate Analyst

BHJ:lad

Enclosure

cc: Ms. Eleanor Blakeman, Manager  
(w/enclosures)  
Jessamine Co. W.D. #1  
200 West Maple Street  
Nicholasville, KY 40365