

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PARKSVILLE WATER DISTRICT,	)	
COZATT TUCKER, A. B. FEATHERS AND	)	
DAVIS EDWARDS	)	
_____	)	CASE NO.
	)	89-351
ALLEGED FAILURE TO COMPLY WITH	)	
COMMISSION ORDER	)	

O R D E R

This matter arising upon motion of Parksville Water District ("Parksville"), filed April 2, 1990, for additional time and for authority to assess a surcharge, and it appearing to the Commission as follows:

On December 1, 1989, the Commission ordered Parksville to show cause why it should not be penalized for its alleged failure to comply with the Commission's Order of February 17, 1988 in Case No. 10030.<sup>1</sup> That Order required Parksville to conduct a comprehensive engineering analysis of its water distribution system and to submit a written report of that analysis to the Commission no later than September 1, 1988. Despite being granted several extensions of time in which to submit the required report, Parksville had not, as of December 1, 1989, performed such an analysis.

<sup>1</sup> Case No. 10030, Parksville Water District's Request for Approval to Provide Less Storage than the Minimum Required for one Day's Supply; a Deviation from Subsection (4) of 807 KAR 5:066 (5).

Upon Parksville's motion, this case was continued generally to permit an informal conference between Parksville and Commission Staff. Following that conference, Parksville moved that this case be held in abeyance pending the filing of its application for a rate adjustment and submission of the engineering analysis. While noting that the sole issues before it were Parksville's alleged failure to comply with a Commission Order and the assessment of any penalty, the Commission agreed to hold this case in abeyance until April 1, 1990.<sup>2</sup>

Parksville now moves for an additional 30 days in which to file an application for a rate adjustment. It contends that a rate adjustment is required to finance the engineering analysis and essential maintenance. It further contends that additional time is needed to complete its 1989 annual report, which will be an essential part of its application for rate adjustment.

The Commission finds that Parksville's motion should be denied. Rate relief for Parksville is not relevant to this proceeding. This case centers entirely on the efforts of Parksville and its board of commissioners to comply with the Orders of the Commission and the obstacles which impeded those efforts. Future requests for rate relief have no bearing on these issues. Denial of Parksville's motion, furthermore, will not prejudice Parksville. The outcome of these proceedings will not materially affect any application for rate adjustment which it may file.

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<sup>2</sup> A written report of an engineering analysis was submitted to the Commission on April 2, 1990.

Parksville has also requested authorization to assess an interim surcharge of \$5 per month per customer for three years to cover the cost of proposed system improvements. Total revenues produced by the surcharge would be \$162,855.

The Commission finds that this request should also be denied. This case is not an appropriate forum for the request. Consideration of Parksville's request would merely confuse and distract the Commission from the issues which this case was initiated to investigate. Any application for surcharge should be made in a separate proceeding. It should also comply with the provisions of Commission Regulations 807 KAR 5:001 and 807 KAR 5:011; Parksville's request in its present form does not.

IT IS THEREFORE ORDERED that:

1. Parksville's motion for additional time is denied.
2. Parksville's request for authority to assess an interim surcharge is denied.
3. Parksville shall appear on June 4, 1990, at 1:30 p.m., Eastern Daylight Time, in Hearing Room No. 2 of the Commission's offices at 677 Commanche Trail, Frankfort, Kentucky, for the purpose of presenting evidence concerning its alleged failure to comply with the Commission's Order of February 17, 1988 in Case No. 10030 and of showing cause, if any it can, why it should not be subject to the penalties of KRS 278.990 for its alleged failure to comply with an order of the Commission.
4. Cozatt Tucker, A. B. Feathers, and Edward Davis, in their individual capacity, shall also appear before the Commission

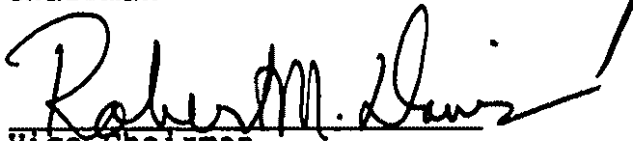
at that same time and place to answer allegations that each aided and abetted Parksville in its alleged failure to comply with the Commission's Order of February 17, 1988 in Case No. 10030 and of showing cause, if any they can, why each should not be subject to the penalties of KRS 278.990 for such actions.

5. If any respondent wishes to submit a written statement in lieu of making a personal appearance before the Commission, he shall submit such statement to the Commission within 20 days of the date of this Order. Such statement shall include an express waiver of any right to a hearing in this matter, a description of his past and current efforts to ensure Parksville's compliance with the Commission's Order of February 17, 1988 in Case No. 10030, and all other matters which the respondent believes pertinent to this case. Timely submission of such statement of any respondent shall excuse that respondent from appearing at the scheduled hearing.

Done at Frankfort, Kentucky, this 8th day of May, 1990.


PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

ATTEST:

  
Executive Director

  
Commissioner