

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF GLENVIEW, INC.)	
FOR A RATE ADJUSTMENT PURSUANT TO THE)	CASE NO. 90-028
ALTERNATIVE RATE FILING PROCEDURE FOR)	
SMALL UTILITIES)	

O R D E R

On February 5, 1990, Glenview, Inc. filed its application for Commission approval of a proposed increase in its rates for sewer service. The proposed rates would generate additional annual revenues of approximately \$4,680, an increase of 42.9 percent above test-year revenues.

The Commission by Order dated March 7, 1990 granted limited intervention to Jackie A. Sutherland and Diana Soard, two customers on the Glenview system.

By letter dated March 26, 1990, all parties of record were advised to file comments on the Staff Report or written requests for a hearing no later than April 10, 1990 or the case would stand submitted to the Commission for a decision.

By letters dated April 3 and April 10, 1990, Diana Soard and Jackie A. Sutherland, respectively, requested a public hearing be held on the proposed rate increase. Subsequently, the Intervenor filed written requests for an informal conference, which requests the Commission granted by Order dated April 27, 1990.

Commission Staff conducted a field review of Glenview's test period financial records in March, 1990. Based upon its review, Commission Staff issued its report on March 26, 1990 recommending that Glenview be allowed to generate additional annual revenues of \$3,619.

Pursuant to agreement reached at the informal conference on May 3, 1990 by all parties, a Settlement Agreement, attached hereto and incorporated herein as Appendix A, was executed and filed into the record of this proceeding. The Settlement Agreement provides that Glenview requires a revenue increase of \$3,619 and with a customer base of 70, Glenview's monthly rate for service should be \$17.30.

The Commission, having reviewed the Settlement Agreement, the evidence of record, and being otherwise sufficiently advised, finds that:

1. The Settlement Agreement strikes a reasonable compromise between the positions advocated by the parties and Commission Staff and is supported by substantial evidence in the record.
2. The revenue requirements and rates provided for in the Settlement Agreement are in conformity with generally accepted rate-making principles.
3. The terms of the Settlement Agreement result in the rates set forth in Appendix B which are the fair, just, and reasonable rates for Glenview and should be approved for service rendered on and after the date of this Order.

IT IS THEREFORE ORDERED that:


1. The terms and conditions set forth in the Settlement Agreement and all terms and conditions set forth therein are adopted and approved.


2. The rates in Appendix B are approved for service rendered by Glenview on and after the date of this Order.

3. Within 30 days of the date of this Order Glenview shall file its revised tariff setting forth the rates approved in Appendix B.

Done at Frankfort, Kentucky, this 25th day of May, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director

RECEIVED

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE
COMMISSION

In the Matter of:

THE APPLICATION OF GLENVIEW, INC.)
FOR A RATE ADJUSTMENT PURSUANT) CASE NO.
TO THE ALTERNATIVE RATE FILING) 90-028
PROCEDURE FOR SMALL UTILITIES)

SETTLEMENT AGREEMENT

WHEREAS, Glenview, Inc. ("Glenview") filed an application with the Public Service Commission ("Commission") on February 5, 1990 seeking a rate increase to produce an increase in annual revenue of \$4,680;

WHEREAS, Diana Soard and Jackie Sutherland ("Intervenors") have formally intervened in Commission proceedings on Glenview's application and are the only parties granted full intervenor status;

WHEREAS, on March 26, 1990 the Commission Staff submitted its report on Glenview setting forth its recommendations regarding the revenue and expense adjustments proposed by Glenview and further setting forth a recommended rate design;

WHEREAS, Glenview, the Intervenors, and Commission Staff have met and have reached agreement on all issues.

NOW, THEREFORE, be it resolved that:

1. The signatories agree that Glenview's adjusted operating revenue for the test-year period is \$10,920. A summary of operating revenue is contained in the Staff Report of March 26, 1990.

2. The signatories agree that, based upon the Staff Report Glenview's adjusted test-year operating expenses are \$12,476. These expenses are contained in the Staff Report of March 26, 1990.

3. Based upon the agreed-upon adjusted test-year operating revenue, adjusted test-year expenses and an operating ratio of .88, Glenview requires a revenue increase of \$3,619.

4. Signatories agree that a .88 operating ratio should be used to determine Glenview's revenue requirements.

5. Signatories agree that Glenview's annual total revenue requirement should be \$14,539.

6. Signatories agree that Glenview's rates should be based on a customer base of 70 customers.

7. Based on an annual total revenue requirement of \$14,539 and a customer base of 70 customers Glenview's monthly rate for service should be \$17.30.

8. This Agreement is submitted for purposes of this case only and is not deemed binding upon the signatories hereto in any other proceeding nor is it to be offered or relied upon in any other proceeding involving the signatories.

9. If the Commission adopts this proposal in its entirety, the signatories hereto agree that they shall not file an application for rehearing nor an appeal to the Franklin Circuit Court from such Order.

10. The foregoing Agreement is reasonable, in the best interest of all concerned, will result in fair, just, and reasonable rates, and should be adopted by the Commission in its entirety.

AGREED TO:

William G. Spaulding
William G. Spaulding, President
Glenview, Inc.

5-3-90
Date

Diana Soard
Diana Soard

2/3/90
Date

Jackie Sutherland
Jackie Sutherland

5/3/90
Date

Gerald E. Wuetcher
Gerald E. Wuetcher - Counsel
for Commission Staff

5/3/90
Date

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 90-028 DATED 5/25/90

The following rates and charges are prescribed for water service to customers of Glenview, Inc. All other rates and charges not specifically set forth herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

<u>Glenview Class</u>	<u>Rate</u>
Single Family Residential	\$17.30
Multi-Family Residential (Per Unit)	17.30