

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF EAST CASEY)	
COUNTY WATER DISTRICT FOR AN)	CASE NO.
INCREASE IN METER CONNECTION FEES,)	90-071
ESTABLISHMENT OF NON-RECURRING)	
CHARGES, AND REVISION OF RULES AND)	
REGULATIONS)	

O R D E R

On December 5, 1989, East Casey County Water District ("East Casey") filed revised tariff sheets with the Commission proposing to increase its meter connection fee to \$350; to establish a reconnect charge, a multi-meter charge, and a late payment penalty; and to revise certain of its rules and regulations, including a section relating to deposits. East Casey proposed an effective date for the tariff of December 23, 1987, which did not provide the Commission with the 30 day statutory notice required by KRS 278.180. In addition, the tariff filing did not comply with 807 KAR 5:011, Section 10, in that information required to be filed by that regulation was not provided.

On February 15, 1990, East Casey refiled tariff sheets with the Commission proposing to increase its meter connection fee and to establish a reconnect charge. East Casey proposed an effective date of March 30, 1990 for the tariff. In this filing East Casey also requested a deviation from the requirements of 807 KAR 5:011,

Section 10(1)(b)-(d), (2), and (3), on the grounds that the meter connection fee and the reconnect charge are revenue-neutral charges which allow the district merely to "break even" by recovering actual costs incurred. Because the filings of December 5, 1989 and February 15, 1990 overlap in content, the two will be considered together for the purposes of this Order.

807 KAR 5:011, Section 10, defines non-recurring charges as charges "intended to be limited in nature and to recover the specific cost of the activity." The regulation allows a utility to seek a rate revision for non-recurring charges outside a general rate proceeding, but requires the information contained in subsections (1)-(3) to be provided with such a filing. Inasmuch as the regulation defines non-recurring charges as revenue-neutral yet mandates the filing of the information, its clear intent is to require the information despite the fact that the charges are revenue-neutral.

Having reviewed the proposed tariff and being otherwise sufficiently advised, the Commission finds:

1. East Casey's request to deviate from the requirements of 807 KAR 5:011, Section 10(1)(b)-(d), (2), and (3), should be denied.

2. As the information required by the subsections cited above has not been filed with East Casey's proposed tariff, the following tariff sheets cannot be adequately reviewed prior to the proposed effective date of March 30, 1990. Accordingly, the following sheets should be suspended:

First Revised Sheet No. 2
Original Sheet No. 3
First Revised Sheet No. 11
First Revised Sheet No. 12
Original Sheet No. 23

3. The language of First Revised Sheet Nos. 12 and 13 regarding deposits does not comply with the provisions of the Order issued by the Commission in Case No. 89-057.¹ A letter was sent to all jurisdictional utilities on November 2, 1989 regarding interest to be paid on customer deposits. Said letter directed all utilities to file in compliance with the above-referenced Order no later than November 30, 1989. Therefore, these tariff sheets should be rejected.

4. Original Sheet Nos. 4 and 5 which set out the procedure for filing a purchase water adjustment are outdated and have been superseded by statutory enactment. As these sheets are no longer necessary to be filed as part of East Casey's tariff, they should be rejected.

5. Language contained on Original Sheet No. 20 relating to arrest as a consequence of damage to water system property is potentially misleading. Therefore, Original Sheet No. 20 should be rejected.

6. The following tariff sheets should be approved:

First Revised Sheet No. 1
Cancelling PSC Ky. No. 1 Sheet No. 1

¹ Case No. 89-057, Investigation Into the Customer Deposit Policy of Kentucky Power Company.

First Revised Sheet No. 6
Cancelling PSC Ky. No. 1 Sheet No. 3

First Revised Sheet No. 7
Cancelling PSC Ky. No. 1 Sheet No. 3

First Revised Sheet No. 8
Cancelling PSC Ky. No. 1 Sheet No. 1

First Revised Sheet No. 9
Cancelling PSC Ky. No. 1 Sheet No. 4

First Revised Sheet No. 10
Cancelling PSC Ky. No. 1 Sheet No. 5

First Revised Sheet No. 10
Cancelling PSC Ky. No. 1 Sheet No. 6

IT IS THEREFORE ORDERED that:

1. East Casey's request for a deviation from the requirements of 807 KAR 5:011, Section 10(1)(b)-(d), (2), and (3), be and it hereby is denied.

2. The tariff sheets listed in Finding Paragraph 2 relating to an increase in the meter connection fee and the establishment of non-recurring charges are hereby suspended for five months from the proposed effective date of March 30, 1990 through August 30, 1990.

3. East Casey shall file all pertinent information required by 807 KAR 5:011, Section 10, no later than May 15, 1990. If said information is not filed by May 15, 1990, the tariff sheets listed in Finding Paragraph 2 will be rejected and this case dismissed as it pertains to same without further Order of the Commission.

4. First Revised Sheet Nos. 12 and 13 relating to deposits are rejected as filed. A section complying with the provisions of

Case No. 89-057 shall be refiled with the Commission no later than May 15, 1990.

5. Original Sheet No. 20 is hereby rejected as filed. East Casey may revise this language before May 15, 1990 to eliminate the language regarding immediate arrest.

6. The tariff sheets listed in Finding Paragraph 6 are hereby accepted as filed.

7. Nothing in this Order shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.

Done at Frankfort, Kentucky, this 29th day of March, 1990.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Lee M. MacCracken
Executive Director