CONNONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMERICOAL CORPORATION COMPLAINANT VS. BOONE COUNTY WATER AND SEWER DISTRICT DEFENDANT

ORDER

Boone County Water and Sewer District ("Boone District") and Americoal Corporation ("Americoal") having filed a joint agreement and motion to dismiss this action and the Commission finding that further information is necessary to adequately assess the lawfulness and reasonableness of that agreement,

IT IS HEREBY ORDERED that Boone District shall file the original and 8 copies of the following information with the Commission within 20 days of the date of this Order, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. If the information cannot be provided within 20 days of the date of this Order, Boone District should submit a motion for an extension of time stating the reason a delay is necessary and a date by which the information will be furnished. Such a motion will be considered by the Commission.

1. State whether an appraisal of the property to be transferred to Americoal has been conducted.

2. If an appraisal has been conducted, provide a copy of the appraiser's report.

3. Identify all persons whom Boone District has assessed a sanitary sewer capacity fee, the date each fee was assessed, and the total amount assessed.

4. State when Boone District began charging a sanitary sewer fee.

5. Explain why Boone District began charging a sanitary sewer capacity fee without amending its tariff to include such fee.

6. State whether Boone District intends to amend its tariff to include a sanitary sewer capacity fee of \$1,000.

7. If Boone District intends to file an amended tariff containing a sanitary sewer capacity fee of \$1,000, state when such tariff will be filed.

8. Explain the purpose of the sanitary sewer capacity fee.

9. Identify to whom the sanitary sewer capacity fee will be assessed.

10. State whether all persons connecting to the Southfork Sewer Line will be required to pay a sanitary sewer capacity fee.

-2-

If Boone District does not assess a sanitary sewer capacity fee from all persons connecting to this line, explain why.

11. State whether Boone District provided sanitary sewer service to any customers in the area currently served by Southfork Sewer Line prior to construction of that line. If sanitary sewer service was previously provided, state:

(a) how it was provided.

(b) whether these customers were subsequently connected to the Southfork Sewer Line.

(c) whether these customers were charged a sanitary sewer capacity fee for their connection to the line.

12. Explain why Boone District considers a sanitary sewer capacity fee a more appropriate method to recover the cost of constructing the Southfork Sewer Line than general rates which provide for recovery of depreciation and interest expense.

13. State whether Boone District considered recovering the cost of the Southfork Sewer Line through general rates. If this method was considered, state why it was rejected.

Done at Frankfort, Kentucky, this 26th day of April, 1991.

PUBLIC SERVICE COMMISSION

ATTEST: ce M Mulachen

Executive Director