

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF PLEASANT HILL WATER)
DISTRICT)
_____) CASE NO. 90-237
ALLEGED VIOLATIONS OF KRS CHAPTER 278)

O R D E R

On April 25, 1990, a periodic inspection was made of Pleasant Hill Water District ("Pleasant Hill"), a non-profit, non-stock water district organized under KRS Chapter 74. The findings of the Commission's inspection were reduced to a report and sent to the utility on May 1, 1990 to obtain a response from Pleasant Hill. Pleasant Hill did not respond to the inspection report until July 9, 1990.

According to the allegations contained in the report, Pleasant Hill is charging to and collecting from its customers a \$20 meter test charge and a \$15 service charge that have not been approved by nor filed with this Commission. By Order entered August 21, 1990, the Commission initiated this investigation finding that a prima facie showing had been made that Pleasant Hill was in violation of KRS 278.160 by charging rates which do not appear in its tariff and which have not been approved by this Commission.

Subsequent to the initiation of this case, Pleasant Hill, by counsel, contacted Commission Staff to negotiate a proposed settlement resolving the issues in this case. The proposed settlement agreement, attached hereto and incorporated herein as Appendix A, was filed into the record on December 14, 1990. The settlement expresses Staff and Pleasant Hill's agreement on a mutually satisfactory resolution of all the issues in this case.

In determining whether the results of the settlement agreement are in the public interest and are reasonable, the Commission has taken into consideration the admissions made by Pleasant Hill in the settlement agreement and the steps taken by Pleasant Hill to remediate and cure the outstanding violations. A review of the provisions of the settlement agreement reflects that all customers who were subject to the unauthorized charges in the past five years shall receive refunds undertaken by giving a credit on the first scheduled billing of the district after the Commission approves the settlement. Any former customer who is no longer receiving service from Pleasant Hill shall receive a cash refund from the utility after the Commission approves the settlement agreement.


After consideration of the proposed settlement agreement and being otherwise sufficiently advised, the Commission finds that the proposed settlement agreement is in accordance with the law and does not violate any regulatory principal. This settlement agreement is a product of serious arms-length negotiations among capable, knowledgeable parties, is in the public interest and

results in a reasonable resolution of the alleged violations in this case.


IT IS THEREFORE ORDERED that the settlement agreement is hereby adopted and approved in its entirety as a reasonable resolution to the issues in this case. Pleasant Hill shall adhere to and comply with all provisions of the settlement agreement. As provided for in the settlement agreement, Pleasant Hill shall provide the Commission with written certification of compliance with the terms of the settlement agreement within 90 days of the date of this Order.

Done at Frankfort, Kentucky, this 10th day of January, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 90-237 DATED January 10, 1991.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF PLEASANT HILL WATER)
DISTRICT)
_____) CASE NO. 90-237
ALLEGED VIOLATIONS OF KRS CHAPTER 278)

PROPOSED SETTLEMENT

WHEREAS, Pleasant Hill Water District ("the District"), by Order of the Commission dated September 21, 1990, was directed to appear at a hearing before the Commission scheduled for September 24, 1990, in order to show cause why the District should not be penalized pursuant to KRS Chapter 278 for the District's failure to comply with the provisions of KRS 278.160 for improperly charging an amount in excess of the approved service charge of \$5.00 and for implementing a meter testing charge of \$20.00 without approval of the Commission; and

WHEREAS, the District has taken certain actions in order to remediate and cure the alleged violations, and

WHEREAS, counsel for the District and counsel for the Commission have met and agreed to the following in order to resolve all outstanding issues in this proceeding;

NOW, THEREFORE, it is resolved that:

1. The District shall make no charge for meter testing until such time as such a charge is specifically approved by the Commission.

2. It is further agreed that in the past, the Pleasant Hill Water District has not charged a meter testing charge to any party as is confirmed by the affidavit of an Officer of the District which is attached hereto as Exhibit "A."

3. Further, it is agreed that in the past, the District has charged the sum of \$20.00 per customer as a reconnection fee although the approved fee for that service is the sum of \$10.00. The District agrees to give a credit of \$10.00 on the first billing period available after approval of this Agreed order by the Commission to all customers who have been overcharged. A listing of customers who have been overcharged is attached hereto as Exhibit "B." Any and all customers that have been overcharged who are no longer customers of the District shall be paid a cash refund of \$10.00 mailed to the last known address of that customer. The District will provide to the Commission written certification of compliance with the provisions herein within 90 days of the date of the Commission's Order approving this Proposed Settlement.

4. This Proposed Settlement 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 District or any other utility.

5. If the Commission issues an order adopting this Proposed Settlement in its entirety, the District agrees that it shall file neither an application for rehearing with the Commission, nor an appeal to the Franklin County Circuit Court from such order.

6. If this Proposed Settlement is not adopted in its entirety, the District reserves the right to withdraw from it and require that hearings go forward upon all or any matters involved herein, and that in such event this settlement shall not be deemed binding upon the signatories hereto, nor shall same be admitted into evidence or referred to or relied on in any manner by any signatory hereto.

7. All of the signatories hereto agree that the foregoing Settlement is reasonable and in the best interest of all concerned, and urge that the Commission adopt this settlement in its entirety.

AGREED TO BY:

D. B. O.
Hon. D. Bruce Orwin on behalf of
Pleasant Hill Water District

11-12-90
Date

Rebecca Goodman
Hon. Rebecca Goodman on behalf
of Commission Staff

12/14/90
Date

AFFIDAVIT OF Frank Gholson

Frank Gholson, for his Affidavit states as follows:

1. That I am the duly elected Secretary/Treasurer of the Pleasant Hill Water District.

2. I hereby certify that no special charge for testing meters has ever been imposed by the District nor has any sum for this charge ever been collected from the customers served by the Pleasant Hill Water District.

3. That during the past five (5) years, the customers as set forth on the listing attached hereto have been charged a twenty (\$20.00) dollar service charge in excess of the approved ten dollar (\$10.00) service charge for the District.

Further the affiant sayeth naught.

Frank Gholson
FRANK GHOLSON

STATE OF KENTUCKY

COUNTY OF PULASKI

The foregoing Affidavit was this day subscribed and sworn to before me by Frank Gholson, Secretary/Treasurer of Pleasant Hill Water District on this the 13th day of December, 1990.

Frank Wood
NOTARY PUBLIC, STATE-AT-LARGE

My commission expires:

June 4, 1991

Pleasant Hill Water District - 1990

Date	Name	Amount of Service Charge
1-8-90	Earl Beasley	\$ 20.00
1-9-90	Bob Calhoun	20.00
1-12-90	Willie Thorpe	20.00
1-12-90	Gary A. McAttee	20.00
1-15-90	Ronald W. Hall	20.00
1-18-90	Shelia Meece	20.00
1-24-90	Donnie L. Hynes	20.00
1-29-90	Debbie Carter	20.00
1-29-90	Jim Rose	20.00
1-29-90	Michael Thomas	20.00
1-29-90	Ronald O. Freeman, Jr.	20.00
1-29-90	Georgene Patterson	20.00
1-30-90	Melissa Light	20.00
1-31-90	Drewel Stuart	20.00
2-1-90	Etsie Shane	20.00
2-1-90	Dee Buster	0
2-1-90	Glenda Hawkins	20.00
2-4-90	Robert D. Allen	20.00
2-6-90	Ray Hines	20.00
2-8-90	Sandra Epperson	0
2-9-90	James W. Melan	20.00
2-14-90	Iris B. Howard	20.00
2-14-90	Joyce Tristle Wolf	20.00
2-16-90	Rice R. Clark	20.00
2-19-90	Tony S. Russell	20.00
2-19-90	Kenneth Wallace	20.00
2-19-90	David Watson	20.00
2-24-90	Gene Ard	20.00
2-26-90	Sandra Gadby	20.00
2-26-90	Homestead Realty	0
2-26-90	Toni Phillips	20.00

Pleasant Hill Water District - 1990

Date	Name	Amt. of Bonded Chg.
3-1-90	Anna Vaughn	0
3-6-90	Timothy Rose	20.00
3-7-90	Kurt Laurinich	20.00
3-9-90	Corena Dalton	20.00
3-9-90	Velinda Hill	20.00
3-9-90	Mark D. Hill	20.00
3-12-90	Heather M. Gibbs	20.00
3-12-90	Doyle Carter	20.00
3-12-90	Shawn Musen	20.00
3-14-90	Benny Nicolae	20.00
3-15-90	Dallas Kager	20.00
3-16-90	Aster Stacy	20.00
3-16-90	Mark Meeks	0
3-16-90	Paula Harrington	20.00
3-19-90	Pearl Curtis	0
3-19-90	Barbara Wilson	20.00
3-20-90	Melinda K. Perkins	20.00
3-20-90	Betty Walbridge Wiley	20.00
3-23-90	Lee Rainwater	0
3-23-90	Richard Welch	0
3-26-90	Gary L. Street	20.00
3-27-90	Jeff Beuge	20.00

Pleasant Hill Water District - 1990

Date	Name	Amt of Service Charge
4-2-90	Linda Gaff	20.00
4-2-90	John Lykins	20.00
4-3-90	Kimberly Elliott	20.00
4-3-90	Ray Shoopmen	20.00
4-3-90	James W. Bennett	20.00
4-4-90	Melvin M. Kreshman	20.00
4-6-90	Leedy D. Wilson	20.00
4-9-90	Regina Mc Gowan	20.00
4-9-90	Marky Hughes	20.00
4-9-90	Wilma C. Dykes	20.00
4-10-90	Miles G. Roberts	20.00
4-10-90	Landon M. Smith	20.00
4-11-90	David King	20.00
4-12-90	Sandra Mc Intyre	0
4-12-90	Sherril Stone	20.00
4-12-90	Bony C. Polyzohn	20.00
4-12-90	James Lee Gibson	20.00
4-13-90	Shirley Bennett	20.00
4-15-90	Greg Diocan	0
4-16-90	Orley Webb	0
4-18-90	Mira Cook	20.00
4-18-90	Robert D. Bell	0
4-20-90	Debra Bayle	20.00
4-23-90	Joseph W. Carder	20.00
4-25-90	Kevin Shred	0
4-26-90	David Bourne	20.00
4-26-90	Tommy Keith	20.00
4-26-90	Tom Jeaucis	20.00
4-27-90	Mitch Blevins	20.00
4-30-90	Thomas E. Wilson	20.00
4-1-90	Jeanie L. Nelson	20.00

Pleasant Hill Water District

Date	Name	Amount of Service Charge
5-3-90	Dave Bond	\$ 20.00
5-3-90	Gene Bay	20.00
5-4-90	Lowell Farmer	20.00
5-7-90	Robert A. Kintz	20.00
5-8-90	William R. Gossett	20.00
5-8-90	Danny R. Caalkey	20.00
5-11-90	Patricia Adams	20.00
5-14-90	Harrison Burton	0
5-14-90	Jeff Smith	20.00
5-15-90	Dorothy Hardgrove	20.00
5-15-90	Haman H. Berstelmann	20.00
5-16-90	Elizabeth Sears	20.00
5-16-90	Janis Simpson	0
5-16-90	Lowell Musgrave	20.00
5-14-90	James W. Sanders	20.00
5-17-90	George Grodzits	20.00
5-22-90	Lonnie Ray Sears	20.00
5-24-90	Leuk Rhodus	20.00
5-30-90	Edward Skab	20.00

Pleasant Hill Water District

Date	Name	Am't. of Service Chg.
6-1-90	Mardy Roberts	20. ⁰⁰
6-1-90	Kenneth Wallace	20. ⁰⁰
6-1-90	Melody Price	20. ⁰⁰
6-8-90	John T. Joppe, Sr.	20. ⁰⁰
6-13-90	Paul D. Huffman	20. ⁰⁰
6-13-90	Joseph Sam Crawford	20. ⁰⁰
6-14-90	Connie Davis	20. ⁰⁰
6-15-90	Troy Hall	20. ⁰⁰
6-15-90	Melissa Moser	20. ⁰⁰
6-18-90	Denzil Mc Ginnis	20. ⁰⁰
6-18-90	Eunett Steurus	20. ⁰⁰
6-18-90	Nike Clause	20. ⁰⁰
6-19-90	Rayford Howard	0
6-19-90	Debbie Aed	20. ⁰⁰
6-21-90	David Sears	20. ⁰⁰
6-22-90	Wilbert L. Leuwhorn	20. ⁰⁰
6-21-90	Chester F. Kidd	20. ⁰⁰
6-22-90	John Polze, Jr.	20. ⁰⁰
6-22-90	David Gindler	20. ⁰⁰
6-22-90	Gary/Bronda Turpin	20. ⁰⁰
6-25-90	Jack F. Pitman	20. ⁰⁰
6-25-90	Jaime Steurus	20. ⁰⁰
6-26-90	L.L. Baumgardner	20. ⁰⁰
6-27-90	Kevin L. Overett	20. ⁰⁰
6-28-90	Theron Rowe	20. ⁰⁰
6-29-90	Lindsay L. Flora	20. ⁰⁰
6-29-90	William Diemer	20. ⁰⁰

Pleasant Hill Water District

Date	Name	amt. of Service Chg.
7-2-90	Ray Wayne Ayon	20. ⁰⁰
7-2-90	Joe M. Steune	20. ⁰⁰
7-2-90	Roger Cilyer	0
7-3-90	Carol Bloniar	0
7-5-90	Vickie Gleason	20. ⁰⁰
7-5-90	Daniel Vaught	20. ⁰⁰
7-5-90	Curtis R. Yekes	20. ⁰⁰
7-5-90	Robert Voiera	20. ⁰⁰
7-5-90	Tammy Stephens	0
7-5-90	Danthy R. Phipps	20. ⁰⁰
7-6-90	B. K. Burdine	20. ⁰⁰
7-16-90	Amr El-Naggar	20. ⁰⁰
7-16-90	Danny Payton	20. ⁰⁰
7-16-90	Greg Dicen	0
7-16-90	Mark W. Collins	20. ⁰⁰
7-16-90	Estil A. Wheeler	20. ⁰⁰
7-16-90	Amtullah Khan	20. ⁰⁰
7-16-90	Tina Barber	0
7-17-90	Jeff D. Duvall	20. ⁰⁰
7-19-90	David Santee	20. ⁰⁰
7-23-90	Jeanece Dungan	20. ⁰⁰
7-26-90	Gorgia Whitaker	20. ⁰⁰
7-26-90	Pauline Henescoe	20. ⁰⁰
7-27-90	Sandra L. Mobbs	20. ⁰⁰
7-27-90	Linda Glover	20. ⁰⁰
7-30-90	Adrian Lyons	0
7-30-90	Jim Mitchell	20. ⁰⁰
7-31-90	Jess Kemper	20. ⁰⁰
7-31-90	Jacqueline Campbell	20. ⁰⁰
7-90	Geneva Lawson	0

Measout Hill Water District

Date	Name	Amt. of Service Chg.
8-1-90	Roger Pennington	0
8-1-90	Esmer Alexander	20. ⁰⁰
8-3-90	Russell Mumsey	20. ⁰⁰
8-3-90	Joseph Kemper	20. ⁰⁰
8-3-90	Bobby Bowler	0
8-8-90	Mike L. Wilson	0
8-9-90	James Gibson	0
8-9-90	David Dalton	0
8-10-90	Lisa Hardwick	20. ⁰⁰
8-13-90	Mike New	0
8-13-90	Gary Monroe	20. ⁰⁰
8-15-90	M. David Morris	0
8-17-90	James E. Hoskins	20. ⁰⁰
8-21-90	James R. Harding	20. ⁰⁰
8-22-90	Joswald Clay Wesley	20. ⁰⁰
8-23-90	Pat J. Lynn	20. ⁰⁰
8-24-90	Dwayne Walker	20. ⁰⁰
8-27-90	Richard Scott Lyons	20. ⁰⁰
8-27-90	Angela Alford	20. ⁰⁰
8-28-90	Sandra Roseberry	20. ⁰⁰
8-29-90	Whaele Lewis	20. ⁰⁰
8-29-90	Rhonda T. Morrow	20. ⁰⁰
8-31-90	Robert K. Bortley	0
8-31-90	Ivan J. Busler	20. ⁰⁰
9-4-90	Lee Clark	20. ⁰⁰
9-5-90	Georgene Peterson	20. ⁰⁰
9-7-90	Bethy Gregg	20. ⁰⁰
9-7-90	Dale Sears	20. ⁰⁰
9-14-90	David Catheral	20. ⁰⁰