COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BLACK MOUNTAIN)
UTILITY DISTRICT TO INCREASE CERTAIN) CASE NO.
NON-RECURRING CHARGES) 90-410

ORDER

On December 13, 1990, Black Mountain Utility District ("Black Mountain") filed a revised tariff sheet with the Commission proposing to increase its meter connection fee to \$400. Black Mountain proposed an effective date of August 1, 1990 for the tariff. In its application, Black Mountain also requested a deviation from the requirements of 807 KAR 5:011, Section 10(1)(b-e) and (2), on the grounds that the meter connection fee is a revenue-neutral charge which allows the district merely to "break even" by recovering actual costs incurred.

Black Mountain's application appears to be identical to one filed by it in June of 1990. After denying the requested deviation from 807 KAR 5:011, Section 10(1)(b-e) and (2), in its Order of July 10, 1990, the Commission ultimately dismissed the case by Order of September 7, 1990, following the repeated failure of Black Mountain to file certain information required by regulation.

Case No. 90-187, The Tariff filing of Black Mountain Utility District to Change the Service Connection Fees.

The Commission reiterates the findings in its Order of July 10, 1990 in Case No. 90-187, and for the reasons described therein finds that Black Mountain's request to deviate from the requirements of 807 KAR 5:011, Section 10(1)(b-e) and (2), should be denied.

By letter dated December 19, 1990, the Commission informed Black Mountain that, inasmuch as its present application proposed an effective date of August 1, 1990, it violated KRS 278.180, which requires 30 days notice to the Commission of a proposed rate increase. As the application was received on December 13, 1990, the Commission informed Black Mountain that its application would be treated as giving notice to the Commission that Black Mountain would put its proposed rates into effect on January 13, 1991, which is 30 days from receipt of the application.

Certain filing deficiencies, of which Black Mountain was notified by letter from the Commission dated January 2, 1991, still remain. As the information described therein, as well as any information required to be filed as a result of the denial by this Order of Black Mountain's request for a deviation from certain filing requirements, has not yet been submitted, Black Mountain's proposed tariff cannot be adequately reviewed prior to the revised effective date of January 13, 1991. Accordingly, it should be suspended for five months from the revised proposed effective date of January 13, 1991 up to and including June 12, 1991.

Having reviewed the proposed tariff and being otherwise sufficiently advised, the Commission HEREBY ORDERS that:

- 1. Black Mountain's request for a deviation from the requirements of 807 KAR 5:011, Section 10(1)(b-e) and (2), be and it hereby is denied.
- 2. Black Mountain's tariff filing of December 13, 1990 is hereby suspended for five months from the revised effective date of January 13, 1991 up to and including June 12, 1991.
- 3. 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 11th day of January, 1991.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

MM Malhau Executive Director