

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF OAK HAVEN WATER
AND SEWER COMPANY, INC.

)
)
) CASE NO. 91-075
)
)

ALLEGED VIOLATION OF KRS CHAPTER 278

O R D E R

Oak Haven Water and Sewer Company, Inc. ("Oak Haven") was incorporated in Kentucky June 15, 1971 by Marvin E. Conrad, who is president of the corporation. The officers of this corporation are Mr. Conrad and Lorraine M. Conrad, Secretary; Keith Hendricks is the plant operator of the sewer portion of Oak Haven.

Oak Haven consists of a water distribution system and wastewater treatment plant and collection system. There are approximately 42 customers on the water system and 27 customers on the sewer system. Commission utility investigators inspected Oak Haven for compliance with Commission statutes and regulations on August 21, 1990 and again on January 4, 1991. Both reports are appended to this Order and incorporated herein as Appendix A and Appendix B, respectively.

Oak Haven was cited in the August 21, 1990 inspection report for 12 deficiencies relating to the provision of water service and 4 deficiencies were noted on the sewer portion of the system. Oak Haven was directed to respond to the deficiencies noted in the

report no later than September 28, 1990. However, Commission records reflect that no response was received from Oak Haven.

Oak Haven was reinspected on January 4, 1991 as reflected in the report attached as Appendix B. It is clear from Appendix B that there has been no change since the last inspection in any of the deficiencies that have been noted for both the water and sewer systems.

KRS 278.080 authorizes the Commission to prescribe rules for the performance of any service furnished or supplied by a utility. Various Commission regulations, of which alleged violations are contained in Appendices A and B, set forth requirements for the operation, maintenance and provision of service by water and sewer utilities.

The Commission finds from Appendices A and B that a prima facie showing has been made that Oak Haven has violated provisions of 807 KAR Chapter 5 by failing to adhere to Commission requirements governing the operation and maintenance of water and sewer utilities in compliance with the requirements of Commission regulations.

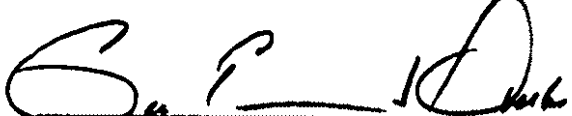
IT IS THEREFORE ORDERED that:

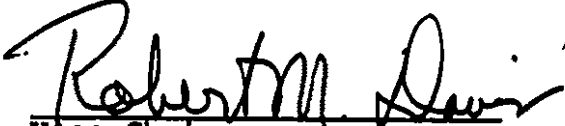
1. Oak Haven shall, by written response to the allegations contained herein, show cause why it should not be penalized pursuant to KRS 278.990(1) for failing to comply with 807 KAR Chapter 5 regulations. Said written response shall be filed with the Commission no later than 30 days from the date of this Order.
2. Oak Haven shall appear at an informal conference and shall bring an employee and/or officer familiar with the

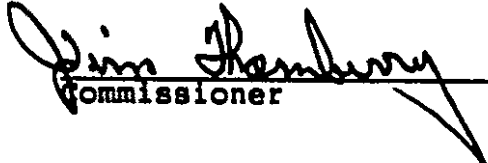
allegations contained herein, scheduled for April 22, 1991, at 10:00 a.m., Eastern Daylight Time, in the Commission's offices at Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 11th day of March, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

August 21, 1990

Mr. Marvin Conrad
President
Oak Haven Water & Sewer, Inc.
P. O. Box 152
Falmouth, KY 41040

Dear Mr. Conrad:

On August 17, 1990, a periodic inspection was made of Oak Haven Water & Sewer, Inc. by K. Michael Newton, Utility Investigator with the Public Service Commission. The comments on this inspection have been condensed into a report, which is being sent herewith in the interest of obtaining your response. We would appreciate receiving your response to this report no later than September 28, 1990.

Please feel free to call Mr. Newton at (502) 564-2133 for any clarification you may need on this matter.

Sincerely,

A handwritten signature in cursive script that reads "Eddie B. Smith".

Eddie B. Smith, Manager
Water & Sewer Branch
Division of Utility Engineering
& Services

EBS:KMN:aem
Attachment

Commonwealth of Kentucky
Public Service Commission

UTILITY INSPECTION REPORT

Oak Haven Water & Sewer, Inc.
Pendleton County, Kentucky

Utility operations, utility maintenance, utility management and their effect on utility services are a primary concern of the Commission and this Division. Our ongoing inspection program is an expression of this concern. During the water and sewer inspection, I am stressing: (1) daily maintenance, (2) good operating records and (3) the need for surveillance of system operations

The subject inspection was made August 17, 1990. The utility consists of a water distribution system and a wastewater treatment plant collection system operating in Pendleton County, Kentucky. It has approximately 42 customers on its system. The utility representative providing information and assistance during this inspection were Marvin Conrad, owner and Keith Hendricks, sewer plant operator of the Company.

The Company's facility operations and its office procedures were reviewed for compliance with the Kentucky Revised Statutes (KRS 278) and the Public Service Commission Regulations (807 KAR). The water and sewer deficiencies are noted separately.

The following water related deficiencies were noted:

1. The utility is having its testing of meters performed by an agency approved by the Commission for such purpose. The utility has not notified the Commission of said arrangement pursuant to 807 KAR 5:006, Section 13 (2).

2. The utility is not maintaining test records of meters as specified in 807 KAR 5:006, Section 15 (1)(a) and (2).
3. The utility does not inform its customers of their right to request the Public Service Commission to perform a meter test on a customer's meter in accordance with 807 KAR 5:006, Section 21.
4. The utility does not have a safety program outlined on performance of work, safety methods, occupational hazards and artificial respiration as specified in 807 KAR 5:006, Section 22.
5. The utility has not adopted a procedure for inspection to assure safe and adequate operation of its facilities as required by 807 KAR 5:006, Section 23.
6. The utility is not providing in its office or place of business a suitable area available to the public for inspection of its tariffs, rules and regulations, and statutes in accordance with 807 KAR 5:011, Section 12.
7. The utility does not provide water storage to insure a minimum of one (1) day supply of its average daily water usage as required by 807 KAR 5:066, Section 5 (4).
8. The utility is not maintaining a record on interruptions of service to include: cause of interruption, date, time, duration, remedy and steps taken to prevent reoccurrence as required in 807 KAR 5:066, Section 5 (5).
9. The utility does not have a recording pressure gauge that can record a continuous 24-hour test as required by 807 KAR 5:066, Section 6 (2).
10. The utility is not performing nor keeping records of annual pressure surveys as specified by 807 KAR 5:066, Section 6 (3).

11. The utility is not filing the "Quarterly Meter Report" with the Commission as required in accordance with 807 KAR 5:006, Section 3(2).
12. The utility is not testing new meters prior to installation at a customers service as specified in 807 KAR 5:006, Section 13 (1) and 807 KAR 5:066, Section 16 (2).

The following sewer related deficiencies were noted:

1. The plant area needs to be protected by a 6-foot high chain link fence or the grating over the plant needs to be locked down so it can't be removed except by the operator. (807 KAR 5:071, Section 7)
2. The plastic container of sodium hypochlorite needs to be removed from the area or protected by an enclosure (either a building, or a 6-foot high chain link fence.) (807 KAR 5:071, Section 7,4)
3. The main electric switch on the pole next to the plant needs to be locked in the "on" position. (807 KAR 5:071, Section 7,4)
4. The access road to the plant needs gravel. (807 KAR 5:071, Section 7,4)

Recommendations

A written response should be prepared and forwarded to the Public Service Commission within 30 days of the date of receipt of this report. This response should say what has been done or what will be done to correct each noted deficiency. A starting date

Report - Oak Haven Water &
Sewer, Inc.
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and a completion date should be given for actions that are to be
accomplished after the date the response is mailed.

Submitted,
August 21, 1990



K. Michael Newton
Utility Investigator

EBJ

CGR:KMN:aem



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

January 12, 1989

Mr. Marvin Conrad
President
Oak Haven Water & Sewer, Inc.
Water Division
P. O. Box 152
Falmouth, KY 41040

Dear Mr. Conrad:

The Public Service Commission is in receipt of your reply to the September 19, 1988, inspection report. We look forward to seeing these changes on our next inspection.

Should you have any questions or comments, please feel free to call George E. Allison at (502) 564-6736.

Sincerely,

A handwritten signature in cursive script, appearing to read "Claude G. Rhorer, Jr.", written in dark ink.

Claude G. Rhorer, Jr., Director
Division of Utility Engineering
and Services

CGR:GEA:aem

Commonwealth of Kentucky
Public Service Commission

UTILITY REINSPECTION REPORT

Oak Haven Water & Sewer, Inc.
Falmouth, Kentucky

This inspection was made January 4, 1991. The utility consists of a water distribution system and a waste water treatment plant and a collection system. The water system has approximately 42 customers and the waste water treatment system has about 27 customers. The utility representatives providing information and assistance during this inspection were Marvin Conrad, owner and Keith Hendricks plant operator of the waste water treatment system.

The Company's facility operations and its office procedures were reviewed for compliance with the Kentucky Revised Statutes (KRS 278) and the Public Service Commission Regulations (807 KAR).

The following deficiencies and current status were noted upon reinspection:

1. The utility is having its testing of meters performed by an agency approved by the Commission for such purpose. The utility has not notified the Commission of said arrangement pursuant to 807 KAR 5:006, Section 13(2).

Current Status: No change since last inspection

2. The utility is not maintaining test records of meters as specified in 807 KAR 5:006, Section 15(1)(a) and (2).

Current Status: No change since last inspection

3. The utility does not inform its customers of their right to request the Public Service Commission to perform a meter test on a customer's meter in accordance with 807 KAR 5:006, Section 21.

Current Status: No change since last inspection

4. The utility does not have a safety program outlined on performance of work, safety methods, occupational hazards and artificial respiration as specified in 807 KAR 5:006, Section 22.

Current Status: No change since last inspection

5. The utility has not adopted a procedure for inspection to assure safe and adequate operation of its facilities as required by 807 KAR 5:006, Section 23.

Current Status: No change since last inspection

6. The utility is not providing in its office or place of business a suitable area available to the public for inspection of its tariffs, rules and regulations, and statutes in accordance with 807 KAR 5:011, Section 12.

Current Status: No change since last inspection

7. The utility does not provide water storage to insure a minimum of one (1) day supply of its average daily water usage as required by 807 KAR 5:066, Section 5(4).

Current Status: No change since last inspection

8. The utility is not maintaining a record on interruptions of service to include: cause of interruption, date, time, duration, remedy and steps taken to prevent reoccurrence as required in 807 KAR 5:066, Section 5(5).

Current Status: No change since last inspection

9. The utility does not have a recording pressure gauge that can record a continuous 24-hour test as required by 807 KAR 5:066, Section 6(2).

Current Status: No change since last inspection
10. The utility is not performing nor keeping records of annual pressure surveys as specified by 807 KAR 5:066, Section 6(3).

Current Status: No change since last inspection
11. The utility is not filing the "Quarterly Meter Report" with the Commission as required in accordance with 807 KAR 5:006, Section 3(2).

Current Status: No change since last inspection
12. The utility is not testing new meters prior to installation at a customers service as specified in 807 KAR 5:006, Section 13 (1) and 807 KAR 5:066, Section 16(2).

Current Status: No change since last inspection

The following sewer related deficiencies were noted:

1. The plant area needs to be protected by a 6-foot high chain link fence or the grating over the plant needs to be locked down so it can't be removed except by the operator. (807 KAR 5:071, Section 7, 1)

Current Status: No change since last inspection
2. The plastic container of sodium hypochlorite needs to be removed from the area or protected by an enclosure (either a building, or a 6-foot high chain link fence.) (807 KAR 5:071, Section 7, 1)

Current Status: No change since last inspection

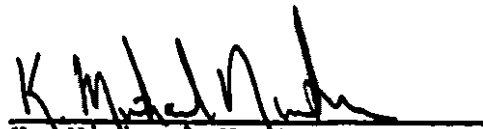
3. The main electric switch on the pole next to the plant needs to be locked in the "on" position. (807 KAR 5:071, Section 7, 1)

Current Status: No change since last inspection

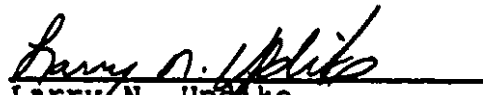
4. The access road to the plant needs gravel. (807 KAR 5:071, Section 7, 1)

Current Status: No change since last inspection

Submitted,
February 13, 1991



K. Michael Newton
Utility Investigator



Larry N. Updike
Utility Investigator