

Having reviewed the reports of these inspections and being otherwise sufficiently advised, the Commission finds that a prima facie showing has been made that Town and Country is in violation of Commission Regulations 807 KAR 5:006 and 807 KAR 5:066.

The Commission, on its own motion, HEREBY ORDERS that:

1. Town and Country shall appear before the Commission on May 30, 1995 at 10:00 a.m., Eastern Daylight Time, in Hearing Room 2 of the Commission's offices at 677 Comanche Trail, Frankfort, Kentucky, for the purpose of presenting evidence concerning the alleged violations of Commission Regulations 807 KAR 5:006 and 807 KAR 5:066, and of showing cause why it should not be subject to the penalties prescribed in KRS 278.990(1) for these alleged violations.

2. Town and Country shall submit to the Commission, within 20 days of the date of this Order, a written response to the allegations contained herein and to the contents of the Inspection Reports.

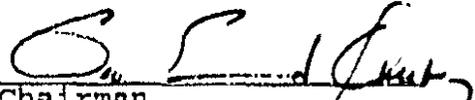
3. The Utility Inspection Report of July 8, 1993 and that of November 28, 1994, which are appended hereto, are made part of the record of this proceeding.

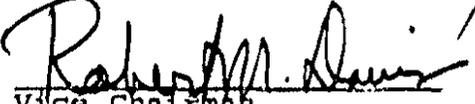
4. Any motion requesting an informal conference with Commission Staff to consider the simplification of issues or any other matters which may aid in the handling or disposition of this

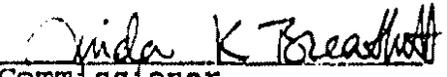
proceeding shall be filed with the Commission no later than 20 days from the date of this Order.

Done at Frankfort, Kentucky, this 4th day of April, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

Commonwealth of Kentucky
Public Service Commission

UTILITY INSPECTION REPORT

Town and Country Water District
Russellville, 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 each inspection, I am stressing: (1) the importance of periodic testing of customers' meters, (2) the importance of accounting for all water purchased and/or produced, (3) the need for surveillance of system operations and (4) the significance of good operating records.

The subject inspection was made June 30, 1993. The utility consists of a distribution system operating in Logan County, Kentucky. It has approximately 107 customers on its system. The utility representative providing information and assistance during this inspection was Billy Goley, owner of the District.

The District'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 were noted:

1. The utility is not filing the periodic ("Quarterly") meter report with the Commission as required in accordance with 807 KAR 5:006 Sec.3(2).
2. The utility is not furnishing a copy of its rate schedule to its customers once a year pursuant to 807 KAR 5:006 Sec.6(1).

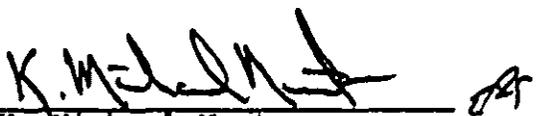
3. The utility does not accrue interest on deposits at the rate prescribed by law, beginning on the date of deposit pursuant to 807 KAR 5:006 Sec.7(6).
4. The utility is not publishing its telephone number to permit all customers and prospective customers to contact the utility as required by 807 KAR 5:006 Sec.13.
5. The utility is having its testing of meters performed by an agency which is not approved by the Commission. The utility is required to have an agency who has been certified and approved by the Commission pursuant to 807 KAR 5:006 Sec.16(3).
6. The utility is not maintaining meter history or meter test cards as required by 807 KAR 5:006 Sec.17(1 & 2).
7. The utility's employees do not wear any distinguishing uniform or other insignia, identifying them as an employee of the utility as required by 807 KAR 5:006 Sec.19.
8. The utility does not have a safety program outlined on performance of work, safety methods, occupational hazards and artificial respiration as specified by 807 KAR 5:006 Sec.24.
9. The utility has not adopted an inspection procedure to assure safe and adequate operation of its facilities as required by 807 KAR 5:006 Sec.25(1).
10. The utility is not providing to its customers information regarding the chemical constituents and bacteriological standards pursuant to 807 KAR 5:066 Sec.2(1).
11. The utility's minimum storage capacity for its distribution system is not equal to the average daily consumption as required by 807 KAR 5:066 Sec.4(4).

12. The utility does not have a recording pressure gauge that can record a continuous 24-hour test as specified by 807 KAR 5:066 Sec.5(2).
13. The utility is not maintaining a recording pressure gauge in continuous service a minimum of one (1) week per month at a representative point on the utility's mains as required by 807 KAR 5:066 Sec.5(2).
14. The utility is not performing nor keeping records of annual pressure surveys as specified by 807 KAR 5:066 Sec.5(3).
15. The utility is not testing its meters periodically pursuant to 807 KAR 5:066 Sec.16(1).

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 and a completion date should be given for actions that are to be accomplished after the date the response is mailed.

Submitted,
July 8, 1993


K. Michael Newton
Utility Investigator

Commonwealth of Kentucky
Public Service Commission

UTILITY INSPECTION REPORT

Town and Country Water District
Russellville, 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 each inspection, I am stressing: (1) the importance of periodic testing of customers' meters, (2) the importance of accounting for all water purchased and/or produced, (3) the need for surveillance of system operations and (4) the significance of good operating records.

The subject inspection was made November 14, 1994. The utility consists of a distribution system operating in Logan County, Kentucky. It has approximately 112 customers on its system. The utility representative providing information and assistance during this inspection was Billy Goley of the District.

The District'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 were noted:

1. The utility does not publish its telephone number in all service areas to permit all customers to contact the utility without charge as specified by 807 KAR 5:006 Sec.13(1a).

2. The utility is having its testing of meters performed by an agency which is not approved by the Commission. The utility is required to have an agency who has been certified and approved by the Commission pursuant to 807 KAR 5:006 Sec.16(3).
3. The utility does not have any meter test or history cards as required by 807 KAR 5:006 Sec.17.
4. The utility has changed out approximately 25-30 water meters. An additional 25-30 meters have been installed within the last 4-5 years. However, Town and Country has approximately 45-50 meters which have not been tested periodically as required in 807 KAR 5:066 Sec.16(1).
5. The utility has not filed a copy of its inspection procedures with the Commission for review pursuant to 807 KAR 5:006 Sec.25(1).
6. The utility is not filing the periodic ("Quarterly") meter report with the Commission as required in accordance with 807 KAR 5:006 Sec.3(2).
7. The utility is not furnishing a copy of its rate schedule to its customers once a year pursuant to 807 KAR 5:006 Sec.6(1).
8. The utility is not providing to its customers information regarding the chemical constituents and bacteriological standards pursuant to 807 KAR 5:066 Sec.2(1).
9. The utility has not established and included its deposit policy in its filed tariffs as required by 807 KAR 5:006 Sec.7(7).
10. The utility's minimum storage capacity for its distribution system is not equal to the average daily consumption as required by 807 KAR 5:066 Sec.4(4).
11. The utility does not have a recording pressure gauge that can record a continuous 24-hour test as specified by 807 KAR 5:066 Sec.5(2).

12. The utility is not maintaining a recording pressure gauge in continuous service a minimum of one (1) week per month at a representative point on the utility's mains as required by 807 KAR 5:066 Sec.5(2).
13. The utility is not performing nor keeping records of annual pressure surveys as specified by 807 KAR 5:066 Sec.5(3).

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 and a completion date should be given for actions that are to be accomplished after the date the response is mailed.

Submitted,
November 28, 1994



K. Michael Newton
Utility Investigator

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