COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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THE CONTRACT FILING OF KENTUCKY TURNPIKE WATER DISTRICT TO ASSESS APPLICANTS A FEE FOR EXTENSION OF SERVICE

) CASE NO.) 98-475

<u>ORDER</u>

IT IS ORDERED that Kentucky Turnpike Water District ("Kentucky Turnpike") shall file the original and 8 copies of the following information with the Commission within 14 days of this Order, with a copy to all parties of record. Each copy of the information 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 its legibility.

- 1. a. What is the length of the proposed main extension?
 - b. What is the size of the proposed main extension?
- 2. a. Has the proposed main extension been designed?
 - b. If yes,

(1) Identify the engineering firm that designed the proposed main extension.

(2) Provide the design specifications.

c. If no, when does Kentucky Turnpike expect the design of the proposed extension to be completed?

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3. Describe how Kentucky Turnpike determined that the cost of the proposed extension will be \$166,000. Show all calculations and state all assumptions used to reach this estimate.

4. Describe how Kentucky Turnpike determined that each customer connecting to the proposed extension should pay a contribution of \$3,500. Show all calculations and state all assumptions used to reach this estimate.

5. How many potential customers are located in the area that the proposed main extension will serve?

6. Describe how the monthly surcharge of \$21.98 was determined. Show all calculations and state all assumptions used to derive the surcharge amount.

7. Under what circumstances will the proposed surcharge terminate before the end of 180 months?

8. a. What contribution, if any, must a customer who is not an original applicant and who connects to the proposed main extension after its completion make to connect to the proposed main extension?

b. (1) Will customers who connect to the proposed main extension after its completion and who are not original applicants for service be required to enter a contract similar to the proposed contract?

(2) If no, why not?

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9. a. Does Kentucky Turnpike intend to request a Certificate of Public Convenience and Necessity from the Commission for the proposed main extension?

b. (1) If yes, when?

(2) If no, why not?

10. What other funding sources has Kentucky Turnpike considered to fund the expansion of its water distribution mains?

11. a. What water main extensions, if any, has Kentucky Turnpike financed using the same method as proposed in this case?

- b. For each extension listed, state:
 - (1) The area served by the extension.
 - (2) The date of the extension's construction.
 - (3) The number of customers who originally applied for service.
 - (4) The cost of the extension.
 - (5) Kentucky Turnpike's original contribution.
 - (6) The applicants' contribution.
 - (7) The amount of any monthly surcharge assessed to recover the

cost of the water main extension.

Done at Frankfort, Kentucky, this 28th day of September, 1998.

PUBLIC SERVICE COMMISSION

ATTEST: Executive Director

B. J. Hefton

For the Cémmission