

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MORGAN COUNTY WATER )  
DISTRICT TO REVISE CERTAIN NON- ) CASE NO. 2004-00417  
RECURRING CHARGES )

COMMISSION STAFF'S INTERROGATORIES AND REQUESTS  
FOR PRODUCTION OF DOCUMENTS TO MORGAN COUNTY  
WATER DISTRICT

Pursuant to Administrative Regulation 807 KAR 5:001, Commission Staff requests that Morgan County Water District ("Morgan District") file the original and 8 copies of the following information with the Commission within 20 days of this request, with a copy to all parties of record. Each copy of the information requested shall 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 shall be given to copied material to ensure its legibility.

1. Provide the minutes of each meeting of Morgan District's Board of Commissioners in which any of the following subjects were discussed:

a. The increase of the meter connection/tap-on charge from \$300 to \$590.

b. Public complaints regarding the increase in the meter connection/tap-on fee.

c. The proposed decrease in the meter connection/tap-on charge to \$495.

2. Provide all correspondence regarding Morgan District's meter connection/tap-on charge that Morgan District has received or issued since January 1, 2003.

3. List and describe all contacts and communications since January 1, 2003 that Morgan District has had with representatives of Morgan County Fiscal Court, including the Morgan County Judge/Executive, regarding Morgan District's meter connection/tap-on charge.

4. Provide a copy of all written complaints that Morgan District has received since January 1, 2003 regarding its meter connection/tap-on charge.

5. List and describe all complaints that Morgan District has received since January 1, 2003 regarding its meter connection/tap-on charge. The description should identify whether the complainant is a current customer of Morgan District and the date of his or her complaint.

6. Provide all workpapers, state all assumptions, and show all calculations used to derive the proposed meter connection/tap-on charge of \$495.

7. State whether Morgan District agrees that the current level of its meter connection/tap-on charge allows Morgan District to recover the full cost of installing a metered connection.

8. a. State whether Morgan District agrees that, if the Commission approves the proposed level for its meter connection/tap-on charge, Morgan District will not recover the entire cost of installing a metered connection through its meter connection/tap-on charge.

b. If Morgan District agrees with the statement above, describe how Morgan District intends to recover the loss revenue of \$95 for each installation.

9. State whether Morgan District agrees that the proposed reduction in the meter connection/tap-on charge will require present customers to subsidize the installation of metered connections.

10. State the number of new meter connections that Morgan District has made to its system for each of the following calendar years:

- a. 2001
- b. 2002
- c. 2003
- d. 2004

11. Provide all studies and analyses that Morgan District has performed or commissioned regarding the effect of the current level of its meter connection/tap-on charge on requests for water service.

12. a. State whether Morgan District is of the opinion that a reduction in the current meter connection/tap-on charge will encourage new requests for water service.

b. If Morgan District is of the opinion that a reduction in the current meter connection/tap-on charge will encourage new requests for water service, state the basis of this opinion.

13. Explain why Morgan District is decreasing the meter connection/tap-on charge below the actual cost of providing that service while increasing other non-recurring charges to reflect the cost of providing those other services.

14. a. Describe how the transportation expense of \$4.00 was derived for the proposed Field Collection Charge, Reconnection Charge and Meter Test Charge.
- b. Describe how the transportation expense of \$6.00 was derived for the proposed Connection/Turn-on Charge.
- c. Describe how the transportation expense of \$14.43 was derived for the proposed Reconnection Charge (After Hours).
- d. Describe how the transportation expense of \$3.65 was derived for the proposed Service Call/Investigation Charge.
- e. Describe how the transportation expense of \$6.54 was derived for the proposed Service Call/Investigation Charge (After Hours).
- f. Describe how the transportation expense of \$4.45 was derived for the proposed Service Line Inspection Charge.
- g. Explain why different transportation expenses were used to calculate the cost of similar services.



Beth O'Donnell  
Executive Director  
Public Service Commission  
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DATED: January 12, 2005

cc: Parties of Record