COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MOUNTAIN WATER DISTRICT)
TO INCREASE AND ESTABLISH CERTAIN) CASE NO. 2008-00508
NONRECURRING CHARGES)

COMMISSION STAFF'S THIRD SET OF INFORMATION REQUESTS TO MOUNTAIN WATER DISTRICT

Mountain Water District ("Mountain District"), pursuant to 807 KAR 5:001, shall file with the Commission the original and eight copies of the information requested herein, with a copy to all parties of record, on or before July 20, 2009. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Mountain District shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

Mountain District fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

- 1. a. State whether Mountain District will require each customer applying for sewer service to complete an application form.
- b. State whether Mountain District will require each customer applying for sewer service to execute a service agreement or contract.
 - c. If Mountain District's Response to Items 1(a) or 1(b) is yes:
- (1) Provide the standard application form and/or contract that will be used; and
- (2) State whether Mountain District's filed tariff will be amended to include the form(s).
- 2. State whether Mountain District intends to revise its rules for sewer service to expressly describe a customer's responsibility for the repair and maintenance of grinder stations. If yes, describe the proposed revision.
- 3. a. State whether, given the amount of the proposed tap fee for sewer service through a pressurized system, Mountain District intends to require an applicant for such service to pay the entire amount before a tap is made.

b. State whether Mountain District permits prospective customers for sewer service through a pressurized system to pay the tap fee in installments. If yes,

state the rules and conditions that govern such installment payments.

4. State whether Mountain District expects that the proposed level of the tap

fee for sewer service through a pressurized system will deter persons from requesting

such service.

5. State why, given the level of the proposed tap fee for sewer service

through a pressurized system, recovery of a portion of the costs associated with the

connection to the pressurized sewer through general rates is not more reasonable than

recovery of all costs through the proposed tap fee.

Jeff R. Derouen

Executive Director

Public Service Commission

P.O. Box 615

Frankfort, KY 40602

DATED: _ JUL - 7 2009

cc: Parties of Record

Toni Akers Chairperson Mountain Water District 6332 Zebulon Highway P.O. Box 3157 Pikeville, KY 41502-3157

Honorable David Edward Spenard Assistant Attorney General Office of the Attorney General Utility & Rate 1024 Capital Center Drive Suite 200 Frankfort, KY 40601-8204