

BLACK MOUNTAIN UTILITY DISTRICT

609 FOURMILE ROAD • BAXTER, KY 40806

RECEIVED

JAN 07 2005

PUBLIC SERVICE
COMMISSION

Phone 1-800-573-1277

Fax: 1-606-573-1276

DECEMBER 30, 2004

To: Beth O'Donnell
Executive Director
Public Service Commission

Re: 2004-00379

Dear Ms. O'Donnell,

The Black Mountain Utility District is hereby asking permission to amend above referenced application (2004-00379) to include the following nonrecurring charges outlined on the NONRECURRING CHARGE COST JUSTIFICATION forms that were previously sent to the PSC, but are being sent again with this letter with the breakdown cost justification as to why we need these nonrecurring charges.

Enclosed is a copy of the public notice that has been delivered to the Harlan Daily Enterprise for printing from January 01, 2005 through January 07, 2005. The Harlan Daily Enterprise has informed us that they will file the affidavit and mail to the Public Service Commission. They will send a copy to Black Mountain Utility District.

Thank you for your time and consideration to this matter.

Sincerely,

Earl Hall
Black Mountain Utility District
Manager

NOTICE

Black Mountain Utility District proposes to make the following revisions to its schedule of charges. The proposed effective date for the change is January 1, 2005.

	<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
Re-Connection Charge (After Hours)	NA	\$50.00	NA
Second Meter Cover Replacement	NA	25.00	NA
Meter Re-read	NA	15.00	NA
Broken Meter Lock †	NA	25.00	NA
Meter Base Re-Location Charge	NA	Actual Cost	NA
Return Check Charge	NA	32.00	NA
Service Call (After Hours)	NA	Actual Cost	NA
Meter Test	\$2.00	20.00	900.0%

The charges/rates contained in this notice are the charges/rates proposed by the Black Mountain Utility District. However, the Public Service Commission may order charges/rates to be charged that differ from these proposed charges/rates. Such action may result in charges/rates for consumers other than the charges/rates in this notice.

Any corporation, association, body politic, or person may, by motion within thirty (30) days after publication of this fee change, request leave to intervene; and the motion shall be submitted to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the request including the status and interest of the party.

Intervenors may obtain copies of the application and related filings by contacting the water association.

The District has available for inspection at its office the proposed changes to its Rules and Regulations. The office is located at 609 Four Mile Road, Baxter, KY 40806.

This notice is published pursuant to 807 KAR 5:011-Tariffs.

Black Mountain Utility District

BREAKDOWN OF NONRECURRING CHARGES COST JUSTIFICATION

A) RETURNED CHECK CHARGE:

Our local bank charges a fee of \$32.00 for a nonsufficient funds check. The customer's check is returned to our office. Our office must then run the check through once again. We must notify our customer that their check has bounced and is being sent to the bank once again. Since we have applied the check to their debt, we must make adjustments and put their debt back into the computer on their payment screen. This involves extra time, and often the utility loses the payment altogether, as the customer has moved by the time the check is returned a second time.

B) METER BASE RELOCATION CHARGE:

Charges vary according to the distance and amount of line used in relocating a meter base that has already been installed. Often the meter base becomes damaged and has to be replaced during the relocation. Some are easier to move than others and don't require as much time to relocate.

C) BROKEN METER LOCK:

The average cost of a meter lock is almost \$5.00. When it becomes necessary to lock a meter for nonpayment, often on checking the locked meter, the customer has broken the lock and is using water illegally. Another lock has to be used at the same cost of \$5.00. Mileage and gas is also a factor since this meter should be locked until a new customer moves in. Time is another consideration since it takes our workers away from other job duties.

D) METER REREAD/SECOND TIME

After meters are read, any reading in question results in the meter being reread. Often we have customers who are not satisfied with the reread and will demand another read. Often it is the same customers each month. To have to send the meter reader back to read the same meter several times is time consuming and costly.

E) SERVICE CALL-AFTER HOURS

Our workers are on emergency call at all times. Distance and time may vary as we have routes that spread over a wide area.

F) SECOND METER COVER REPLACEMENT

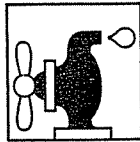
A meter cover costs approximately \$10.00 to replace. Time, labor and mileage are factors in the nonrecurring charge expense of \$25.00.

G) RECONNECTION CHARGE/AFTER HOURS

Our workers have had to go after hours to unlock a customer who may have talked to a board member and special arrangements made to turn his water on. It involves time, labor and mileage on our worker's off-time.

H) METER TEST:

The cost of actual testing and return shipping is \$13.00. It costs \$7.00 to mail the meter to be tested.



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COMMISSION

Beth O'Donnell
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Ky 40602

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