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DAMON R. TALLEY

ATTORNEY AT LAW

February 4, 2005

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

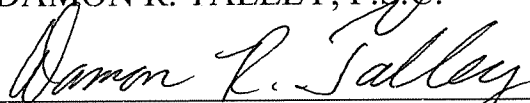
RECEIVED
FEB 07 2005
PUBLIC SERVICE
COMMISSION

RE: Adams Complaint
Case No. 2005-00008
Garrard County Water Association, Inc.

Dear Ms. O'Donnell:

Enclosed for filing are the original and ten (10) copies of the Answer which is being filed on behalf of Garrard County Water Association, Inc.

Yours truly,
DAMON R. TALLEY, P.S.C.



DAMON R. TALLEY, ATTORNEY FOR
GARRARD COUNTY WATER
ASSOCIATION, INC.

DRT:ln

Enclosures

cc: Garrard County Water Association, Inc.
Danny Ray Adams

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED
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COMMISSION

In the Matter of:

DANNY RAY ADAMS)

COMPLAINANT)

v.)

GARRARD COUNTY WATER ASSOCIATION, INC.)

DEFENDANT)

CASE NO. 2005-00008

ANSWER TO COMPLAINT

Comes the Garrard County Water Association, Inc. (“Garrard Water”), by Counsel, and for its Answer to the Complaint filed by Danny Ray Adams (“Adams”) states as follows:

1. Mr. Adams owns a small tract of property near Kentucky Highway 1295 (“Highway 1295”) in Garrard County, Kentucky, but he does **not** have any road frontage along Highway 1295. Apparently, he gains access to his property by use of an access easement which crosses the land of other property owners. He does not currently reside on this tract of land.

2. The closest water distribution line to Adams' property is located along Highway 1295.

3. Garrard Water denied water service to Adams because Adams was not and still is not a "bona fide prospective customer" as this term is defined in paragraph 2(b) of Garrard Water's Rules and Regulations. A copy of paragraph 2(b) is attached hereto as **Exhibit 1** and incorporated herein by reference.

4. To be a "bona fide prospective customer" and, hence, be eligible for water service from an existing distribution line, a person must either own property or be a lessee of premises which abuts a road where a water distribution line is located (See **Exhibit 1**).

5. Since Adams' land does not abut the water distribution line along Highway 1295, he is ineligible for water service from an existing distribution line.

6. Adams can obtain water service by either purchasing property, contiguous to his existing property, fronting on Highway 1295 or sponsoring a distribution line extension project to extend a distribution line to the edge of his existing property. Both Garrard Water's Rules and Regulations and the Kentucky Public Service Commission's (the "Commission's") regulations, 807 KAR 5:066, Section 11, provide for such extensions.

7. Garrard Water has adopted a policy that it will **not** provide water service to a prospective customer unless that person's property abuts a water line. Its policy prohibits a meter from being set on someone else's property. Without this policy, a prospective customer, such as Adams, would need to run his service line across the property of others. This policy is contained in the Rules and Regulations which have been adopted by the Board of Directors of Garrard Water and approved by the Commission. (See paragraph 2(b), contained in **Exhibit 1**, and paragraph 9 of Garrard Water's Rules and Regulations). A copy of paragraph 9 pertaining to "Installation of Service Lines" is attached hereto as **Exhibit 2** and incorporated herein by reference.

8. Paragraph 9(a) of the Rules and Regulations states that Garrard Water will install that portion of the service line extending from the water distribution main up to the meter if the water service is "to **premises abutting the public highway** upon which such mains are located." (Emphasis added). See **Exhibit 2**.

9. Paragraph 9 (i) of the Rules and Regulations addresses the portion of the service line or pipe that is installed, owned and maintained by the customer. It states that the customer's service pipe "shall not be laid in driveways, **nor pass through premises other than that to be supplied.**" (Emphasis added). See **Exhibit 2**.

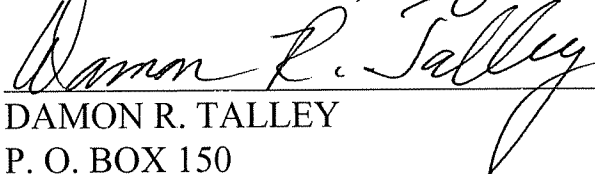
10. Paragraphs 9(a) and 9(i) are consistent with paragraph 2(b) of Garrard Water's Rules and Regulations. Taken as a whole, or read individually, the provisions of these Rules and Regulations are clear and unambiguous. Garrard Water's longstanding policy prohibiting water service to a prospective customer whose property does not abut a water line is clearly understood.

11. If the Commission forces Garrard Water to violate its own Rules and Regulations and set a meter for Adams along Highway 1295, Adams' meter will be located on another person's property. In addition, Adams would be required to run his service line from the meter across the property of at least one (1) other person before reaching his own property. The Commission should not ignore the repercussions of such a drastic step.

For the foregoing reasons, Garrard Water respectfully requests the Public Service Commission to dismiss the Complaint filed by Adams.

Respectfully Submitted,

DAMON R. TALLEY, P.S.C.



DAMON R. TALLEY

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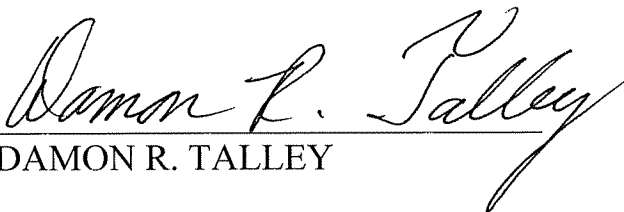
ATTORNEY FOR GARRARD COUNTY
WATER ASSOCIATION, INC.

CERTIFICATE OF SERVICE

This is to certify that I have mailed a true copy of the foregoing pleading this 4th day of February, 2005, to the following:

Danny Ray Adams
1455 Perry Rogers Road
Lancaster, KY 40444

Harold C. Ward
Garrard County Water Association, Inc.
P. O. Box 670
Lancaster KY 40444-0670


DAMON R. TALLEY

P.S.C. Ky. No. 2
 Original Sheet No. 1
 Cancelling P.S.C. Ky. No. 1
 Second Revised Sheet No.

Garrard County Water Association, Inc.

RULES AND REGULATIONS

1. SERVICE CLASSIFICATION:

There shall be no distinction of this category as all customers will be served in a like manner.

2. DEFINITIONS APPLICABLE TO RULES AND REGULATIONS:

(a) "Customer" shall mean any person, firm, corporation or municipality supplied with water service by Garrard County Water Association pursuant to these Rules and Regulations.

(b) "Bona fide prospective customer" shall mean any owner or lessee who is to be the occupant of an existing developed premises having a frontage abutting on that part of a street or public highway in which there is, or is to be, located a distribution main of the Company, who shall file a signed application for a new street service connection and for water service to such premises to be occupied.

(c) "Company" shall mean the Garrard County Water Association acting through its officers, managers, or other duly authorized employees or agents.

(d) "Service pipe" as referred to in these Rules and Regulations consists of the following, viz:

- (1) The curb cock and curb box, or coppersetter when installed in a meter box.
- (2) The pipe between the Company main and the curb cock or coppersetter.

(e) "Customer's service pipe" is that portion of the service line between the meter box at or near the curb line, and the structures or premises to be supplied.

(f) "Premises" as contemplated in these Rules, mean and include:

- (1) a building under one roof and occupied as one business

PUBLIC SERVICE COMMISSION

DATE OF ISSUE Dec. 6, 1989 DATE EFFECTIVE August 1, 1990

ISSUED BY Harold C. Ward TITLE President

PUBLIC SERVICE COMMISSION

P.S.C. Ky. No. 2
 Original Sheet No. 13
 Cancelling P.S.C. Ky. No. 1
 Second Revised Sheet No. _____

Warren County Water Association, Inc.

RULES AND REGULATIONS

(c) Discontinuing the supply of water to a premises for any reason shall not prevent the Company from pursuing any lawful remedy by action at law or otherwise for the collection of monies due from the Customer.

8. RENEWAL OF WATER SERVICE AFTER DISCONTINUANCE

(a) When water service to a premises has been terminated for any reason, it will be renewed only after the conditions, circumstances or practices which caused the water service to be discontinued are corrected to the satisfaction of the Company, and upon payment of all charges due and payable by the Customer in accordance with the Rates, Rules and Regulations.

(b) No Customer whose service has been turned off shall turn on same, or have same done by anyone other than the Company.

(c) When it has been necessary to discontinue water service to any premises because of a violation of the Rules and Regulations or on account of non-payment of any bill, a charge will be made to cover the expense of turning on the water as set forth in the Company's schedule of rates and charges. This charge, together with any arrears that may be due the Company for charges against the Customer, and any service deposit required by the Company, must be paid before the water will again be turned on.

9. INSTALLATION OF SERVICE LINES

(a) Where its mains are now or may hereafter be laid, the Company will, at its expense, install the service pipe and appurtenances between the water main along the roadway up to and including the stop cock and curb box, or the copper setter when installed in the meter box at or near the property line, provided that the service pipe is required for the immediate and continuous supply of water for general water service to premises abutting the public highway upon which such mains are located; and all such service pipes and appurtenances shall be installed only by the Company.

(b) The Company will maintain such service pipes and appurtenances

DATE OF ISSUE Dec. 6, 1989 DATE EFFECTIVE AUG 2 1990
 ISSUED BY Harold C. Ward TITLE: President
August 1, 1990

Barrard County Water Association, Inc.

P.S.C. Ky. No. 2
Original Sheet No. 14
Cancelling P.S.C. Ky. No. 1
Second Revised Sheet No.

RULES AND REGULATIONS

laid by it, but it will not maintain any service pipes which are Customer-owned.

(c) The Company will make all connections to its mains and will specify the size, kind and quality of all materials.

(d) The corporation cock, curb cock, curb box, meter box, and the street service pipe from the street main to the curb cock will be furnished, installed and maintained by the Company, and shall remain under its sole control and jurisdiction.

(e) The curb box or meter box will be set on a level with the grade of the property as found and shall be kept accessible at all times.

(f) The Company reserves the right to determine the size of each connection to its mains, and the service installed therefrom.

(g) The Company will specify the size, kind and quality of the materials comprising the Customer's service pipe from the curb line to the place of consumption, but same shall be furnished, installed and maintained by the Customer at his own expense and risk.

(h) The Customer's service pipe, all connections and appurtenances attached thereto shall be subject to the inspection of the Division of Plumbing or the Company before the water will be turned on, and all premises receiving a supply of water and all service pipe, valves, and connections, including any and all connections within the said premises, shall at all reasonable hours be subject to inspection by any duly authorized employees of the Company.

(i) The service pipe shall be laid below the frost line (twenty-four (24) inches below ground level) at all points and shall be placed on firm and continuous earth so as to give unyielding and permanent support, shall not be laid in driveways, nor pass through premises other than that to be supplied, and shall be installed in a trench at least two feet in a horizontal direction from any other trench wherein are laid gas pipe, sewer pipe, or other facilities, public or private.

PUBLIC SERVICE COMMISSION
CERTIFICATE

DATE OF ISSUE July 31, 1990
ISSUED BY Harold C. Ward
Harold C. Ward

EFFECTIVE
DATE EFFECTIVE August 1, 1990
AUG 1 1990
TITLE: President

PURSUANT TO SECTION 10.01

arrard County Water Association, Inc.

P.S.C. Ky. No. 2
Original Sheet No. 15
Cancelling P.S.C. Ky. No. 1
Second Revised Sheet No.

RULES AND REGULATIONS

(j) The Customer shall install a cut-off valve of a type approved by the Company on the service pipe before the first point of use, and to be located so as to be easily accessible to the occupants and to provide proper drainage for all of the pipes in the building.

(k) Where a street service connection is already laid to the curb line, the Customer shall connect with the service connection as laid.

(l) When a Customer service pipe is relocated at the Customer's request, the Customer shall be responsible for the cost of such relocation.

(m) No attachment to the service pipe or any branch therein shall be made between the meter and the street main.

(n) Each premise shall be supplied through an independent service pipe from a separate curb cock or meter box.

(p) The Company shall in no event be liable for any damage done or inconvenience caused by reason of any break, leak or defect in, or by water escaping from service pipes or fixtures on the premises of the owner or Customer.

10. CROSS CONNECTIONS

(a) Interconnections, as defined below, and any and all physical connections between the public water supply and any industrial,

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

AUG 1 1990

PURSUANT TO
SECTION 10
BY

DATE OF ISSUE June 19, 1990 DATE EFFECTIVE August 1, 1990
ISSUED BY Harold C. Ward TITLE: President