

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF ALLEN COUNTY WATER )  
DISTRICT TO REVISE ITS NON-RECURRING ) CASE NO. 2013-00188  
CHARGES )

ORDER

On February 18, 2013, Allen County Water District ("Allen District") filed proposed revisions to certain non-recurring charges effective June 1, 2013. On May 31, 2013, the Commission suspended the operation of Allen District's proposed charges and directed Allen District to provide additional information regarding those charges. Through Commission Staff, we requested further information. Allen District has complied with our requests.

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Each of the proposed charges relates to the service performed or action taken.
2. None of proposed charges exceed the total expenses that Allen District incurs to provide the service associated with the charge.
3. With the exception of a provision related to the connections made during the course of a construction project, Allen District has not revised any of its existing non-recurring charges since 1990.
4. As a result of Allen District's failure to periodically review its charges for non-recurring services, the proposed charges represent a significant increase over

present rates for non-recurring services, in some instances over 120 percent above present rates.

5. The magnitude of the proposed fee increase for non-recurring services in actual and percentage terms is unreasonable and unjust and will result in undue hardship on existing customers and applicants for water service, will discourage the extension of water service in Allen District's territory, and should be limited to 80 percent of the proposed increase.

6. Within one year of the date of this Order, either upon application of Allen District or upon the Commission's own motion, the Commission should review the reasonableness of Allen District's existing tap fees to determine if further revisions to those fees are necessary to ensure the financial integrity of the water district and a reasonable allocation of costs to all ratepayers.

7. Allen District should begin periodic reviews of the reasonableness of its fees and charges for non-recurring services and take appropriate actions to ensure that those fees reflect the cost of providing service, and that gradual adjustments to those fees and charges can be made without severely affecting existing or potential customers.

8. Allen District's proposed revisions, with the exceptions of its proposed return-payment charge and security deposit, are unjust and unreasonable and should be denied.

9. The fees and charges that are set forth in the Appendix to this Order are fair, just and reasonable and should be authorized for service that Allen District provides on and after the date of this Order.

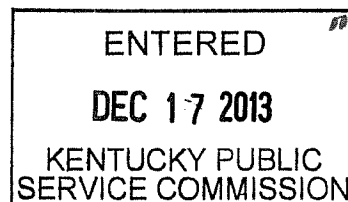
IT IS THEREFORE ORDERED that:

1. Allen District's proposed revisions, with the exceptions of its proposed return-payment charge and security deposit, are denied.

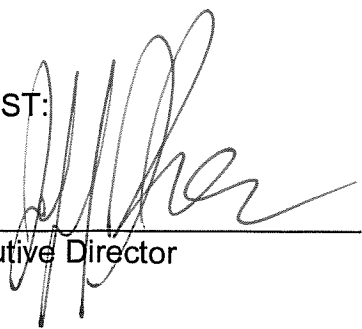
2. The charges set forth in the Appendix to this Order are approved for services rendered on and after the date of this Order.

3. Within 20 days of the date of this Order, Allen District shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the approved rates and reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:

  
\_\_\_\_\_  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00188 DATED DEC 17 2013

The following rates and charges are prescribed for the customers in the area served by Allen County Water District. All other rates, charges, and policies not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

#### Non-Recurring Charges

##### Meter Tap Fees:

5/8- x 3/4-inch meter	\$ 960.00
1-inch meter	1,200.00
2-inch meter	3,200.00
Larger than 2-inch meter	Actual Cost

If a water extension project is self-funded or funded with funds from Allen County Fiscal Court or Rural Development, an application for connection will receive credit of \$200 towards the meter tap fee if the fee is paid prior to the commencement of construction.

##### Special Charges:

Security Deposit	\$75.00
Meter Re-read	64.00
Meter Test	80.00
Connection/Reconnection	88.00
Reconnection after hours	104.00
Service/Investigation	64.00
Service/Investigation after hours	80.00
Returned Payment	35.00
Meter Relocation	Actual Cost
Equipment Damage	Actual Cost

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