

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF WEST MCCRACKEN COUNTY)
WATER DISTRICT TO REVISE ITS METER) CASE NO. 2017-00122
CONNECTION CHARGE)

ORDER

On February 8, 2017, West McCracken County Water District ("West McCracken") filed a new tariff, designated "PSC KY No. 1, 2nd Revised Sheet No. 4," to revise its 5/8" x 3/4" meter connection charge from \$700 to \$1,400. A Commission Staff request for information was sent to West McCracken on March 3, 2017, via electronic mail. West McCracken's response, which was received on March 6, 2017, via electronic mail, is attached as an Appendix to this Order. West McCracken has proposed an effective date of March 10, 2017, for the revision.

Having reviewed the proposed revision and West McCracken's response to the March 3, 2017 request for information, we find that further proceedings are necessary to determine its reasonableness, that these proceedings cannot be completed prior to the effective date of the proposed revision, and that the proposed revision should be suspended pursuant to KRS 278.190(2). The Commission will use its best efforts to expedite its review of the revision.

IT IS THEREFORE ORDERED that:

1. This proceeding is established to investigate the reasonableness of the proposed revisions.

2. West McCracken's proposed revision to its 5/8" x 3/4" meter connection charge is suspended for five months from March 10, 2017, up to and including August 9, 2017.

By the Commission

ENTERED
MAR 08 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00122 DATED **MAR 08 2017**

Hinton, Daniel E (PSC)

From: West McCracken County Water District [REDACTED]
Sent: Monday, March 06, 2017 12:32 PM
To: PSC - Tariffs
Subject: RE: Tap-on increase West McCracken Water District

Correction, It should be 10 years not 7 years.

Thank You

West McCracken County Water District
8020 Ogden Landing Road
West Paducah KY 42086
phone - 270.442.3337
fax - 270.441.7104
www.westmccrackenwater.com

On March 6, 2017 at 11:19 AM PSC - Tariffs <psc.tariffs@ky.gov> wrote:

Thanks.

From: West McCracken County Water District [REDACTED]
Sent: Monday, March 06, 2017 11:30 AM
To: PSC - Tariffs
Subject: RE: Tap-on increase West McCracken Water District

West McCracken County Water District
8020 Ogden Landing Road
West Paducah KY 42086
phone - 270.442.3337

fax - 270.441.7104

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On March 3, 2017 at 9:45 AM PSC - Tariffs <psc.tariffs@ky.gov> wrote:
Daniel,

April had an appointment so I am responding to your questions since you asked for them by noon. If I can be of further assistance, please let me know. We appreciate your help!

Thank you,

Sheila Mansfield

April,

Staff has a couple of questions regarding the tap-on fee increase. Please see below for questions. **Since this is scheduled to be effective next Friday, if you could have responses back to me by noon on Monday, March 6, that would give us time to review the answers and make a decision on the filing.**

- In Case No. 2006-00542, which is the last time the tap-on fee was increased, the contract fee was \$175. In this application, the contract fee is \$500.
 - How was the contractor chosen? Bids were taken under a previous Superintendent. The current contractor is well known for his low prices.
 - Why is there such a large increase in the contract fee? The contractor absorbed continued inflation costs over the past seven years as the District did. The contractor had to adjust his fee accordingly. As we well know in the past seven years there has been increases in costs of fuel, vehicles, equipment, wages, benefits, insurance, workers compensation and employee benefits, just to name a few.
- In Case No. 2006-00542, 50 ft. was used for long side installation. In this application, 70 ft. is used. What is the reason for this change? The last five encroachment permits with the State Department of Highways for long side installations average 74 feet, we rounded down to 70 ft.
- In Case No. 2006-00542, \$6.50 per ft. was used for the road bore. In this application, \$12 per ft. is used for the road bore. What is the reason for the amount of this change? Inflation costs for labor, equipment, fuel, etc... in the past seven years.

Responses can be e-mailed to us at psc.tariffs@ky.gov.

If you have any questions, please give me a call at (502) 564-3940 or respond to this e-mail.

Thanks.

Daniel

*West McCracken County Water District
8020 Ogden Landing Road
West Paducah, KY 42086

*Sheila Mansfield
West McCracken County Water District
8020 Ogden Landing Road
West Paducah, KY 42086