

*John David Myles*  
*Attorney at Law*

413 SIXTH STREET  
SHELBYVILLE, KENTUCKY 40065

(502) 633-3252

March 26, 2004

Mr. Thomas Dorman  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40601

**RECEIVED**

MAR 29 2004

**PUBLIC SERVICE  
COMMISSION**

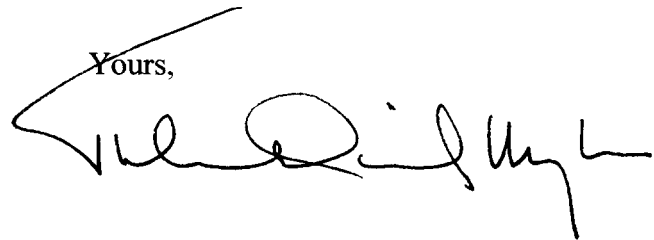
Case 2004-00105

Dear Tom:

Enclosed please find an original and ten copies of the Shelby County Public Schools' Motion to Intervene in Commission proceedings relating to the proposed reduction of North Shelby Water Company's fire protection tariff. If you need anything further from us or have any questions, please feel to call at your convenience.

Please give my best to Mrs. Bertrand.

Yours,

A handwritten signature in black ink, appearing to read "John David Myles", written over a large, stylized arrow pointing to the left.

Before the

**RECEIVED**

KENTUCKY PUBLIC SERVICE COMMISSION

MAR 29 2004

**PUBLIC SERVICE  
COMMISSION**

In the Matter of: )  
PROPOSED CHANGE )  
OF FIRE PROTECTION )  
TARIFF OF NORTH SHELBY )  
WATER COMPANY )

Case No. 2004-00105

MOTION TO INTERVENE

Comes now the Shelby County Public Schools and moves for leave to intervene in the pending tariff case of North Shelby Water District. By letter dated March 10, 2004, Movant was informed that the utility had issued a revised tariff seeking to decrease the rate it charges facilities with fire protection sprinklers. Movant seeks to intervene on the following bases:

1. The Shelby County Public Schools owns and operates two recently constructed schools on Warrior Way north of Shelbyville, Kentucky, just off Ky. Hgwy. 53 North.
2. North Shelby provides water service and, through separate eight inch (8") lines, provides water for sprinkler systems in both buildings.
3. North Shelby currently charges \$.0075 per square foot of "sprinklered space" for the privilege of having fire protection in the buildings.
4. North Shelby has proposed to reduce this rate by one-half to \$.00375 per square foot of sprinklered space.
5. North Shelby Water Company's Fire Protection Tariff, even if reduced as proposed, assesses a charge on the basis of "sprinklered space per month" and does not comply with the requirements of 807 KAR 5:095(3).
6. The charge, as proposed and applied to the correct square footage of Painted Stone Elementary School, would still exceed the monthly bill for water usage incurred by

Movant. See monthly bills for Painted Stone Elementary School for the year 2003 attached as Exhibit 1.

7. Movant is informed and believes that the Louisville Water Company charges customers a bimonthly service charge \$101.00 for 8" lines serving sprinkler systems. This charge is less than one-fifth the reduced rate proposed by North Shelby.

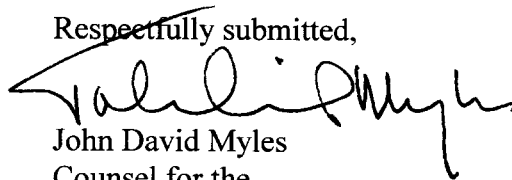
8. North Shelby's proposed rate is neither fair, just, nor reasonable and should be stricken from its tariff until the utility can provide credible evidence to the Commission that the rate complies with the requirement of KRS 807 KAR 5:095(3).

9. Since the completion of Painted Stone Elementary School until February 20, 2004, North Shelby billed and Movant paid for fire protection under the tariff on the basis of incorrect square footage in the building. After months of trying, Movant finally received a refund of the overcharge for 10 months. The utility cited an unspecified "Public Service Commission general rule" to the effect that it was unable to make a complete refund. See February 20, 2004, letter from Donald T. Prather, Esq., attached as Exhibit 2.

THEREFORE, Movant prays that:

1. It be granted leave to intervene in this proceeding.
2. North Shelby Water Company's Fire Protection rate be stricken from its tariff.
3. North Shelby Water Company be ordered by the Commission to refund all overcharges paid by Movant under its Fire Protection Tariff as filed.

Respectfully submitted,



John David Myles  
Counsel for the

Shelby County Public Schools  
413 Sixth Street  
Shelbyville, Kentucky 40342

CERTIFICATE OF SERVICE

This is to certify that a true and accurate copy of the foregoing Motion to Intervene was mailed first class postage prepaid this 26<sup>th</sup> day of March to Donald T. Prather, Esq., counsel for the North Shelby Water Company, at 500 Main Street, Suite 5, Shelbyville, Kentucky 40065.

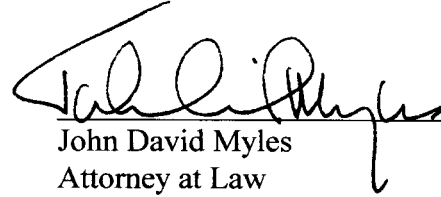
  
John David Myles  
Attorney at Law

EXHIBIT !

NORTH SHELBY WATER COMPANY  
PO BOX 97  
BAGDAD KY 40003

NORTH SHELBY WATER COMPANY  
PO BOX 97  
BAGDAD KY 40003

ACCOUNT SERVICE AT DATES 27-0498-75 10/10/03  
WARRIOR WAY  
09/04/03 THRU 10/01/03

ACCOUNT SERVICE AT DATES 27-0498-75 11/10/03  
WARRIOR WAY  
10/01/03 THRU 10/29/03

SVC	PREVIOUS	CURRENT	USAGE	CODE
WT	857000	964600	107600	
WATER			280.31	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			8.41	

SVC	PREVIOUS	CURRENT	USAGE	CODE
WT	964600	1024800	60200	
WATER			175.08	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			5.25	

RECEIVED  
OCT 13 2003

DUE DATE 20TH/LATE CHARGES 21ST  
1-800-870-4148/747-8942

GROSS DUE 1016.22  
AFTER 10/20/03  
NET DUE NOW 1016.22

EDUCATIONAL INST

0141087041



RECEIVED  
NOV 12 2003

DUE DATE 20TH/LATE CHARGES 21ST  
HAPPY THANKSGIVING! 747-8942

GROSS DUE 907.83  
AFTER 11/20/03  
NET DUE NOW 907.83

EDUCATIONAL INST

0141087041



NORTH SHELBY WATER COMPANY  
PO BOX 97  
BAGDAD KY 40003

NORTH SHELBY WATER COMPANY  
PO BOX 97  
BAGDAD KY 40003

ACCOUNT SERVICE AT DATES 27-0498-75 07/10/03  
WARRIOR WAY  
05/30/03 THRU 07/01/03

ACCOUNT SERVICE AT DATES 27-0498-75 08/08/03  
WARRIOR WAY  
07/01/03 THRU 07/31/03

SVC	PREVIOUS	CURRENT	USAGE	CODE
WT	709200	736900	27700	
WATER			90.45	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			2.71	

SVC	PREVIOUS	CURRENT	USAGE	CODE
WT	736900	756400	19500	
WATER			67.65	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			2.03	

RECEIVED  
JUL 11 2003

DUE DATE 20TH/LATE CHARGES 22ND  
1-800-870-4148/747-8942

GROSS DUE 820.66  
AFTER 07/20/03  
NET DUE NOW 820.66

EDUCATIONAL INST

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RECEIVED  
AUG 11 2003

DUE DATE 20TH/LATE CHARGES 21ST  
1-800-870-4148/747-8942

GROSS DUE 797.18  
AFTER 08/20/03  
NET DUE NOW 797.18

EDUCATIONAL INST

0141087041



NORTH SHELBY WATER COMPANY  
PO BOX 97  
BAGDAD KY 40003

NORTH SHELBY WATER COMPANY  
PO BOX 97  
BAGDAD KY 40003

ACCOUNT SERVICE AT DATES 27-0498-75 02/10/04  
WARRIOR WAY  
01/02/04 THRU 02/03/04

ACCOUNT SERVICE AT DATES 27-0498-75 03/10/04  
WARRIOR WAY  
02/03/04 THRU 03/02/04

SVC.	PREVIOUS	CURRENT	USAGE	CODE
WT	1188200	1256700	68500	
WATER			193.51	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			5.81	

SVC.	PREVIOUS	CURRENT	USAGE	CODE
WT	1256700	1329500	72800	
WATER			203.06	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			6.09	

DUE DATER 20TH/LATE CHARGES 23RD  
747-8942/1-800-870-4148

DUE DATE 20TH/LATE CHARGES 22ND  
E-MAIL US! NSWUS60@BELLSOUTH.NET

GROSS DUE AFTER 926.82 02/20/04  
NET DUE NOW 926.82

GROSS DUE AFTER 936.65 03/20/04  
NET DUE NOW 936.65

EDUCATIONAL INST

EDUCATIONAL INST

0410870411



01410870411



NORTH SHELBY WATER COMPANY  
PO BOX 97  
BAGDAD KY 40003

NORTH SHELBY WATER COMPANY  
PO BOX 97  
BAGDAD KY 40003

ACCOUNT SERVICE AT DATES 27-0498-75 12/10/03  
WARRIOR WAY  
10/29/03 THRU 12/01/03

ACCOUNT SERVICE AT DATES 27-0498-75 01/09/04  
WARRIOR WAY  
12/01/03 THRU 01/02/04

SVC.	PREVIOUS	CURRENT	USAGE	CODE
WT	1024800	1108900	84100	
WATER			228.14	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			6.84	

SVC.	PREVIOUS	CURRENT	USAGE	CODE
WT	1108900	1188200	79300	
WATER			217.49	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			6.52	

DEC 11 2003

DUE DATE 20TH/LATE CHARGES 22ND  
HAPPY HOLIDAYS!! 1-800-870-4148

DUE DATE 30TH/LATE CHARGES 2ND  
HAPPY HOLIDAYS!! 1-800-870-4148

GROSS DUE AFTER 962.48 12/20/03  
NET DUE NOW 962.48

GROSS DUE AFTER 951.51 01/20/04  
NET DUE NOW 951.51

EDUCATIONAL INST

EDUCATIONAL INST

0410870411



02



NORTH SHELBY WATER COMPANY  
PO BOX 97  
BAGDAD KY 40003

NORTH SHELBY WATER COMPANY  
PO BOX 97  
BAGDAD KY 40003

ACCOUNT SERVICE AT DATES 27-0498-75 05/09/03  
WARRIOR WAY  
04/01/03 THRU 05/01/03

ACCOUNT SERVICE AT DATES 27-0498-75 09/10/03  
WARRIOR WAY  
07/31/03 THRU 09/04/03

SVC.	PREVIOUS	CURRENT	USAGE	CODE
WT	568500	633600	65100	
WATER			185.96	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			5.58	

SVC.	PREVIOUS	CURRENT	USAGE	CODE
WT	756400	857000	100600	
WATER			264.77	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			7.94	

DUE DATE 20TH/LATE CHARGES 21ST  
1-800-870-4148/747-8942

DUE DATE 20TH/LATE CHARGES 22ND  
1-800-870-4148/747-8942

GROSS DUE AFTER 1010.94 05/20/03 NET DUE NOW 919.04

GROSS DUE AFTER 1000.21 09/20/03 NET DUE NOW 1000.21

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EDUCATIONAL INST

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NORTH SHELBY WATER COMPANY  
PO BOX 97  
BAGDAD KY 40003

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PO BOX 97  
BAGDAD KY 40003

ACCOUNT SERVICE AT DATES 27-0498-75 04/09/03  
WARRIOR WAY  
03/04/03 THRU 04/01/03

ACCOUNT SERVICE AT DATES 27-0498-75 06/10/03  
WARRIOR WAY  
05/01/03 THRU 05/30/03

SVC.	PREVIOUS	CURRENT	USAGE	CODE
WT	495700	568500	72800	
WATER			203.06	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			6.09	

SVC.	PREVIOUS	CURRENT	USAGE	CODE
WT	633600	709200	75600	
WATER			209.27	
SPRINKLER			727.50	
SCHOOL UTILITY TAX			6.28	

DUE DATE 20TH/LATE CHARGES 22ND  
1-800-870-4148/747-8942

DUE DATE 20TH LATE CHARGES 23RD  
1-800-870-4148/747-8942

GROSS DUE AFTER 1030.32 04/20/03 NET DUE NOW 936.65

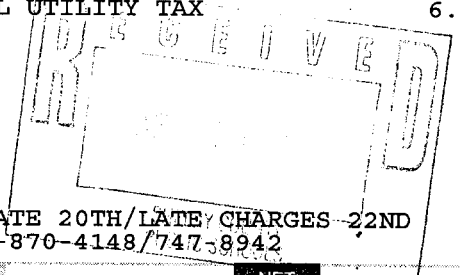
GROSS DUE AFTER 943.05 06/20/03 NET DUE NOW 943.05

EDUCATIONAL INST

EDUCATIONAL INST

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EXHIBIT 2

MATHIS, RIGGS & PRATHER, P.S.C.  
ATTORNEYS AT LAW  
500 MAIN STREET, SUITE 5  
SHELBYVILLE, KENTUCKY 40065

C. LEWIS MATHIS, JR.  
T. SHERMAN RIGGS  
DONALD. T. PRATHER  
NATHAN T. RIGGS

TELEPHONE: (502) 633-5220  
FAX: (502) 633-0667

E-MAIL: [mrp@iglou.com](mailto:mrp@iglou.com)

February 20, 2004

John David Myles, Esq.  
413 Sixth Street  
Shelbyville, Kentucky 40065

Re: North Shelby Water Company

Dear John David:

Enclosed is a check from North Shelby Water Company in the amount of \$1,575.00 representing a refund of fire protection charges for Painted Stone Elementary School. The refund is for the months of May 2003 through February 2004, a total of ten months. The square footage should be adjusted beginning with the March bill.

The refund was calculated as follows:

97,000 square feet  
-76,000 square feet

21,000 excess square footage  
x .0075 which is the fire protection rate

157.50 per month overcharge

The letter containing the revised square footage was received in October 2003, but was too late to put it into effect for the October bill. Accordingly, the Company is refunding the overcharge beginning with November 2003 through February 2004. Additionally, the Board voted to refund the six months prior to November, which is consistent with the Public Service Commission general rule that an overcharge or undercharge is to be corrected for the previous six months. This equals a total of ten months at \$157.50, which equals \$1,575.00.



John David Myles, Esq.  
February 20, 2004  
Page Two


I am under the impression that the excess charge was only in effect for an additional eight months prior to May 2003. The Board did not feel it had the authority to refund this additional amount since it was for a period prior to the six-month bill correction cutoff normally enforced by Public Service Commission. This would have amounted to only an additional \$1,200.00 in any event.

Management and the company engineer are adamant that they repeatedly requested the correct square footage for Painted Stone Elementary School and were not provided this information until the October 6, 2003 letter from Dr. Mooneyhan.

Although the Board did vote to change the Tariff in mid-2003, the change never occurred. That being the case, North Shelby has no choice but to charge the Tariff rate until the Tariff is changed. Sandy Broughman is working on that change, and it should be filed immediately. I have confirmed with the Public Service Commission that we do not have to publish notice of the change in the Sentinel News, which would be an additional delay. The P.S.C. indicates a letter to the one affected customer, namely, Shelby County Public Schools, will be sufficient for their purposes. I will keep you advised of our progress on the Tariff.

Yours Truly,

MATHIS, RIGGS & PRATHER, P.S.C.

By:   
\_\_\_\_\_  
Donald T. Prather

DTP/pm

Cc: Darrell Dees, Manager  
Sandy Broughman, Engineer  
Duncan LeCompte, President

**NORTH SHELBY WATER COMPANY** 07-71  
OPERATIONS AND MAINTENANCE ACCOUNT  
PH. 800-870-4148 502-747-8942  
BAGDAD, KY 40003

26523

DATE 02/19/04

73-162/839

PAY TO THE ORDER OF Shelby County School Board.

ONE THOUSAND FIVE HUNDRED SEVENTY FIVE DOLLARS AND  $\frac{00}{100}$  \$ 1575.00 DOLLARS



P.O. BOX 189  
SHELBYVILLE, KY 40066-0189

NORTH SHELBY WATER COMPANY

FOR refund excess square footage fire protection fees for Painted Stone Elementary

*David [Signature]*

⑈026523⑈ ⑆083901621⑆ 005 292 2⑈