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December 22, 2009

RECEIVED

DEC 22 2009

PUBLIC SERVICE
COMMISSION

Mr. Jeff R. Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

Re: In the Matter of: Application of Hardin County Water District #1 (Hardin County Water District) to Modify Water Utility Tariff of Master Meters for Billing Multi-Unit Residential Properties
Case No. 2009-00113

Dear Executive Director Derouen:

Please find enclosed for filing in the above referenced case the original and ten copies of the Joint Motion To Approve Tariff filed on behalf of Hardin County Water District and the Intervenor. Thank you for your attention to this matter, and please contact me if you wish to discuss same.

Yours truly,


Robert C. Moore

RCM/db

Enclosures

cc: David T. Wilson II
Todd Osterloh
Jerry Nickeson

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

DEC 22 2009

PUBLIC SERVICE
COMMISSION

IN THE MATTER OF:

APPLICATION OF HARDIN COUNTY WATER)
DISTRICT #1 TO MODIFY)
WATER UTILITY TARIFF) CASE NO. 2009-00113
OF MASTER METERS FOR BILLING)
MULTI-UNIT RESIDENTIAL PROPERTIES)

JOINT MOTION TO APPROVE TARIFF

Come Hardin County Water District #1 (“Hardin District) and the Intervenors, Homestead Manufactured Home Community, Yarwood Mobile Home Park, LLC, Country Lane Mobile Home Park, Duvall Mobile Home Park, Masden’s Mobile Home Park, LLC, Lynch’s Mobile Home Park, Golden Rainbow Mobile Home Park, Inc., Parkside Manor MHP Radcliff, LLC, Rogersville Mobile Home Park and Paradise Mobile Home Park, Inc. (collectively “Mobile Home Communities”), by counsel, and hereby move the Public Service Commission (“Commission”) to approve the tariff attached hereto as Attachment A.

1. On or about March 16, 2009, Hardin District filed with the Commission its Application to Modify Water Utility Tariff for Master Meters for Billing Multi-Unit Residential Properties. Generally, Hardin District sought to adopt a tariff requiring master-metered mobile home parks containing individually metered lots to charge the mobile home parks for water useage, with no bill to be forwarded to the individual lots. On or about April 16, 2009, the Mobile Home Communities filed their request to intervene in this proceeding, and the request to intervene was granted by the Commission on or about May 13, 2009.

2. On September 16, 2009, Hardin District and Mobile Home Communities participated in a mediation conference in an attempt to resolve the issues arising out of the above-referenced application to amend tariff. The Hon. Thomas Marshall, a former General

Counsel of the Commission, was selected to act as mediator due to his expertise and experience in this area. Hardin District and Mobile Home Communities entered into an agreement at the close of the mediation session, and this agreement has been memorialized in the Proposed Settlement Agreement attached hereto as Attachment B. The Proposed Settlement Agreement contains a number of terms, including the following:

- a) The owners of mobile home parks will be required to pay to Hardin District the difference in the cost of water billed to the individual metered lots in the mobile home park and the amount of water passing through the master meter for the mobile home park;
- b) Each owner of a mobile home park will open an account with Hardin County within 15 days of the Commission's final Order approving the tariff incorporating the terms of the Settlement Agreement;
- c) Even where a mobile home park has been master metered, Hardin County will continue to bill and collect payments due from each individual tenant within the existing mobile home park that were not previously converted to a master meter bill only. Service to individual lots will not be discontinued for failure of a mobile home park property owner to pay Hardin District for water service;
- d) The mobile home park owners are to make meters for individual lots readily accessible for reading and free from contaminated water. If, after notice to the mobile home park owner or its representative, the mobile home park owners do not make the meters for individual lots readily accessible for reading and/or free from contaminated water, Hardin District is authorized to charge the mobile home park owner for the water

used by the lot with the inaccessible meter.

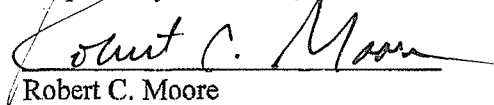
- e) The terms of the Settlement Agreement shall be enforceable upon the Commission's approval of the tariff incorporating the terms of the Settlement Agreement.

The provisions of the Settlement Agreement are set forth in the Tariff attached hereto as Attachment A.

3. Hardin County provided notice of the mediation proceeding to all known mobile home park owners within its service territory. All of the mobile home park owners that attended the mediation proceeding have approved the terms of the Settlement Agreement. No parties that failed to attend requested that the proceeding be moved to a different date for any reason, including inability to attend or inconvenience.

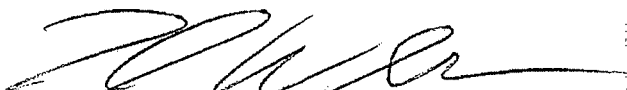
4. Accordingly, Hardin County and the Mobile Home Communities respectfully request the Commission to approve the Tariff attached hereto as Attachment A in order to avoid the time and expense of further proceedings on this issue. The resolution as set forth in the Settlement Agreement and Tariff should be acceptable to the Commission as it: a) provides for the payment by the Mobile Home Park Owners for water not billed to individual lots, b) provides for the payment by individual lot owners for water used by them, thereby discouraging them from wasting water, and 3) does not allow Hardin District to discontinue service to the individual lots where the mobile home park owner has failed to pay for the service provided by Hardin District.

Respectfully Submitted,



Robert C. Moore
Hazelrigg & Cox, LLP
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P.O. Box 676
Frankfort, Kentucky 40602-0676

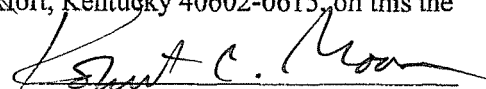
Counsel for Homestead
Manufactured Home Community,
Yarwood Mobile Home Park, LLC,
Country Lane Mobile Home Park,
Duvall Mobile Home Park,
Masden's Mobile Home Park, LLC,
Lynch's Mobile Home Park, Golden
Rainbow Mobile Home Park, Inc.,
Rogersville Mobile Home Park,
Parkside Manor MHP Radcliff, LLC,
and Paradise Mobile Home Park, Inc



David T. Wilson II
Skeeters, Bennett, Wilson & Pike
550 W. Lincoln Trail Blvd.
P. O. Box 610
Radcliff, Kentucky 40160.
Counsel for Hardin County Water
District No. 1

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by first class mail, postage prepaid, on David T. Wilson II, Skeeters, Bennett, Wilson & Pike, 550 W. Lincoln Trail, Blvd., P. O. Box 610, Radcliff, Kentucky 40160, Todd Osterloh, Kentucky Public Service Commission, 211 Sower Boulevard, P. O. Box 615, Frankfort, Kentucky 40602-0615, on this the 22ND day of DECEMBER, 2009.



Robert C. Moore

(Creating new policies which have not previously been approved. Related tariff sections; Sheet 5A, Non Payment and Service Termination, Sheet No. 8, Customer Classifications and Qualifications for Same, Sheet No. 7, Meter Connection Fees

Hardin County Water District No. 1

CLASSIFICATION OF SERVICE: MASTER METER BILLING

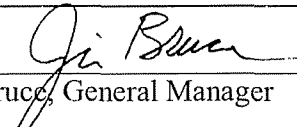
(N)

1. **Applicability:** These rules and policies apply to any existing mobile home park ("MHP") property which as of the effective date of this tariff has an installed master meter available, and which also has individual meters located on lots within the MHP property that are billed for water and sewer services by the District.
2. **Purpose of Policy:**
 - a. To ensure that the District is paid for all water it delivers to MHP's.
 - b. To provide that tenants or residents on existing individually metered lots and account holders within the MHP continue to be billed based on their own metered consumption, subject to other approved rules and regulations of the District's tariff, and other regulations and statutes of the Public Service Commission, and
 - c. To limit setting of water meters, or activation of individual lot meter accounts, to only those lots in the MHP which on the effective date of this tariff, have an existing meter pit. Lots where there has not been a meter pit or metered account as of the effective date of this tariff, the District will not be obligated to set future or new meter pits and meters. Within 15 days of the effective date of this tariff, the MHP owners will provide the District a list of any vacant lots where a meter pit presently exists.
3. **Basic Account Policies:** The following rules and policies apply to only those customers which this section is applicable:
 - a. All MHP property that has a master meter available and which also has individual meters in the MHP will be required to open an account for the master meter billing, or will have an account opened for it within fifteen (15) days after the effective date of this tariff.
 - b. The District will bill the MHP property account for all un-billed water and sewer services provided that is not billed to an individual lot meter. The District will to the extent possible simultaneously read the master meter and individual meters within the MHP on the same day.
 - c. Service to individual lots shall not be discontinued due to the failure of a MHP owner to pay its master meter bill.
4. **Transition to Master Meter Billing:**
 - a. In order to continue to receive service after the effective date of this tariff, each MHP owner owning property to which this tariff is applicable will need to provide the District with the information required for all new customers to open an account. If an applicable property owner does not provide the required information, the District will open the account with known information of public record, and the MHP owner will be billed for all un-billed water use and

DATE OF ISSUE: _____

DATE EFFECTIVE: March 1, 2010

ISSUED BY _____


Jim Bruce, General Manager Radcliff, Kentucky

(Creating new policies which have not previously been approved. Related tariff sections; Sheet 5A, Non Payment and Service Termination, Sheet No. 8, Customer Classifications and Qualifications for Same, Sheet No. 7, Meter Connection Fees

Hardin County Water District No. 1

CLASSIFICATION OF SERVICE: MASTER METER BILLING

sewer charges used within the MHP property that is not billed to individual lot meters in said MHP.

- b. Any water loss resulting from leaks after the effective date of this tariff on MHP property, which is not billed to individual lot meter accounts, will be billed to the MHP owners account. It will be the responsibility of the MHP owner to repair said leaks.

5. **Meter Access / Inability to Read Meter:**

- a. If a meter is not accessible or free from contaminated water, or otherwise presents a health hazard or danger to District employees attempting to read the meter, the District agrees to promptly notify the MHP owner or representative of such condition. Once notified, it will be incumbent upon the MHP owner to make such meters readily accessible or correct the problem.
- b. Access to meters and the decision not to read a meter shall also comply with the provisions of 807 KAR 5:006.
- c. In the event a meter is not made accessible or free from contaminated water after notification to the MHP owner, or within a reasonable time thereafter, then the District will not be obligated to read such meter during that billing period and water use and billings for that lot shall be included and billed with the master meter for that MHP.
- d. If during the next billing period the meter accessibility problem has been corrected, then the MHP owner shall be given a credit for any amounts it paid for water and sewer service attributed to that lot address and individual account. If however, during the billing cycle immediately following the cycle the meter could not be read by the District, and the MHP owner was notified of such, and the meter continues to be inaccessible or contaminated, then the MHP owner will not be given any credit for amounts subsequently billed to the tenant.

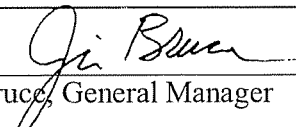
6. **Alternative to Master Metering:**

- a. Any MHP property owner to which this section is applicable will be provided an option to avoid being billed through a master meter account and allow the District to individually bill his/her tenants or occupants within his/her property. Said option or exception shall be executed or approved only as follows;
- i. The property owner will be required to repair or replace and or install new water and or sewer mains within the MHP property that comply with current construction standards of the District, and the Division of Water. Said plans will require review and approval by both the District and the Division of Water.
- ii. All costs, including design, inspection, materials and construction will be borne by the MHP property owner.

DATE OF ISSUE: _____

DATE EFFECTIVE: March 1, 2010

ISSUED BY _____


Jim Bruce, General Manager Radcliff, Kentucky

(Creating new policies which have not previously been approved. Related tariff sections; Sheet 5A, Non Payment and Service Termination, Sheet No. 8, Customer Classifications and Qualifications for Same, Sheet No. 7, Meter Connection Fees

Hardin County Water District No. 1

CLASSIFICATION OF SERVICE:
MASTER METER BILLING

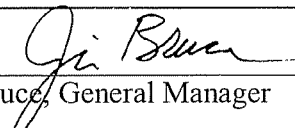
- iii. Once installed and accepted by the District, and a one year warranty period has passed during which time the property owner will be responsible for all repairs, the owner will then transfer ownership of the facilities to the District. After transfer occurs, the District will then be responsible for all repair, maintenance and replacement of subject facilities.
- iv. Upon transfer of the facilities to the District, the District will then deactivate the master meter and no further billing will occur to the MHP property owner based upon master meter readings.
- v. If the facilities being installed lie within a non-public right of way, or within a private road or private property, then the owner will also be required to dedicate a public utility and access easement, which shall be recorded with the County Clerk. Said easement shall allow the District to access, work within and maintain all facilities within the easement.
- vi. Once the new facilities are installed, including the installation of water meters within the public easement, then the District will agree to open individual water and sewer accounts direct with each individual dwelling unit, renter, tenant or resident living within the MHP property. The District will then bill that individual account for all water and sewer charges recorded by that individual meter / customer.

END OF SECTION

DATE OF ISSUE: _____

DATE EFFECTIVE: March 1, 2010

ISSUED BY _____


Jim Bruce, General Manager Radcliff, Kentucky

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF HARDIN COUNTY)
WATER DISTRICT NO. 1 TO MODIFY)
WATER UTILITY TARIFF OF MASTER) CASE NO. 2009-00113
METERS FOR BILLING MULTI-UNIT)
RESIDENTIAL PROPERTIES)

PROPOSED SETTLEMENT AGREEMENT

WHEREAS, by mutual agreement, Hardin County Water District No. 1 (“Hardin District”) and the Intervenors, being twelve (12) mobile home parks conducting business within the boundaries of Hardin District, met for a mediation conference on Thursday, September 24, 2009 at the offices of Hardin District. The mediation conference was presided over by Mr. Thomas Marshall, Esq., by mutual agreement of the parties.

Following lengthy and extensive discussion, negotiation and compromise Hardin District and the Intervenors agree to the following proposed settlement of those issues germane to the above styled action, as more specifically set forth as follows:

1. The parties agree that Hardin District will continue to bill and collect payments due for each individual tenant within the existing mobile home parks located within the boundaries of Hardin District, not previously converted to master meter bill only and subject to the conditions and provisions set forth herein;
2. Each owner of a mobile home park will open an account with Hardin District within 15 days of the Public Service Commission’s issuance of a final order approving a tariff providing for master metering of mobile home parks in


accordance with the parties' proposed Settlement Agreement. Service to individually billed mobile home lot accounts shall not be discontinued for the failure of a mobile home park to pay its bill.

3. At regular monthly intervals, Hardin District will read the individual meters within each mobile home park and will simultaneously read the previously installed master meter of each mobile home park. Owners of each mobile home park will be obligated to pay Hardin District the difference, at the then current rates, between the gallons billed to the individual tenants in its park collectively versus the gallons billed to the master meter. This payment, if required, will be made in accordance with Hardin District's then existing tariffs.
4. Hardin District agrees that as to each mobile home lot wherein there can be located a presently existing meter pit, as of the date the revised tariff is approved, it will install a meter at such time as a unit is placed upon an otherwise vacant lot within a mobile home park. However, if there is no existing meter pit as of said date, then it is agreed that Hardin District will not be obligated to install a meter or provide billable service to such lot. Within 15 days of approval and entry of an applicable tariff, each mobile home lot owner within the boundaries of Hardin District will provide Hardin District a list of such vacant lots containing presently existing meter pits.
5. Hardin District agrees to use its best efforts to remove, conspicuously identify, or disable, meters that are affiliated with individual mobile home lot account which are delinquent and have been turned off for non-payment;

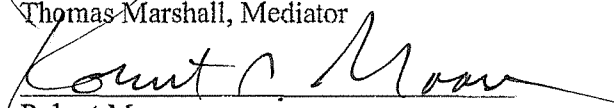
6. Each mobile home park owner agrees to make individual meters readily accessible for reading and free from contaminated water. If a meter is not accessible or free from contaminated water, Hardin District agrees to promptly notify the park owner or its representative of such condition. Once notified, it will be incumbent upon the mobile home park owners to make such meters readily accessible at such time as they are notified. In the event a meter is not made accessible or free from contaminated water upon notification to the park owner, or within a reasonable time thereafter, then in that event it is agreed that Hardin District will not be obligated to read such meters during that billing period. If during the next billing period, in the event the previously inaccessible meter is read and the tenant is billed, then the mobile home park owner shall be given credit for the sums billed to the tenant who had the previously inaccessible or contaminated meter. If, however, during the billing cycle immediately following the cycle in which a given meter was inaccessible or contaminated, the meter continues to be inaccessible/contaminated, then in that event the mobile home park owner will not be given credit for amounts subsequently billed to the tenant.
7. The parties hereby represent that this proposed agreement is acceptable to both Hardin District and the Intervenors.
8. It is not the intention of the parties hereto to modify an existing tariff.
9. Hardin District hereby represents that it mailed notice of the mediation to all known mobile home park owners at least one (1) week prior to the mediation

10. Counsel for Hardin District and the Intervenors concur with the terms and conditions set forth herein. The mediator, Thomas Marshall, represents to the Public Service Commission and its staff that the terms, conditions and provisions set forth herein were deemed to be mutually acceptable by all participants at the mediation which occurred on September 24, 2009.

11. The terms of the parties' proposed Settlement Agreement shall be valid and enforceable when approved by the Order of the Public Service Commission and set forth in an approved tariff incorporating all of said terms.



Thomas Marshall, Mediator



Robert Moore
Counsel for the Intervenors



David T. Wilson II
Counsel for Hardin County Water District No. 1