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July 28, 2009

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JUL 28 2009

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

PUBLIC SERVICE COMMISSION

Re:

Application of Tariff Revisions and to increase certain non-recurring charges for Bullitt Utilities, Inc. d/b/a Hunters Hollow Sewer Plant

Case No. 2009-00221

Dear Executive Director Derouen:

Please find enclosed an original and ten copies of the Answers to the Commission Staff's Data Request to Bullitt Utilities, Inc. for filing in the above-referenced case. Please contact me should you have any questions concerning this matter.

Robert C. Moore

RCM/neb Enclosures

cc:

Carroll Cogan

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#### COMMONWEALTH OF KENTUCKY

### JUL 28 2009

#### BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION FOR TARIFF REVISIONS AND	)		
TO INCREASE CERTAIN NONRECURRING	)	CASE NO. 2009-0022	1:1
CHARGES FOR BULLITT UTILITIES, INC.	)		
D/B/A HUNTERS HOLLOW SEWER PLANT	)		

# ANSWERS TO THE COMMISSION STAFF'S DATA REQUEST TO BULLILTT UTILITIES, INC.

- 1. In Bullitt Utilities' filing of proposed tariff sheet No. 5 under "Discontinuance of Service by Utility," Bullitt Utilities provided for a 48-hour notice to a customer for discontinuance due to nonpayment of a bill. 807 KAR 5:006, Section 14(I)(f)(2) requires five days' written notice by a sewer utility of intent to terminate.
- a. Has Bullitt Utilities obtained any deviation from the Commission from this rule?

Answer: Bullitt Utilities has not obtained authorization to deviate from the requirements of 807 KAR 5:006, Section 14 (1)(f)(2).

b. Does Bullitt Utilities wish to amend its proposed tariff language to comply with the regulation requiring five days' notice?

Answer: Bullitt Utilities will amend its proposed tariff to comply with the requirements of 807 KAR 5:006, Section 14 (1)(f)(2).

2. In Bullitt Utilities' filing of proposed tariff sheet No. 6, numbered paragraph 4, and in its charge cost justification, there is a provision called "Administrative and Transportation Fee Where Lawsuit Filed". As to the cost justification of the proposed fee as required by 807 KAR 5:011, Section 6(2)(c), answer the following:

a. Describe all equipment that is being furnished to the customer by Bullitt Utilities.

Answer: In filing a lawsuit seeking to recover overdue payments from its delinquent customers, Bullitt Utilities is not providing any equipment to its customers.

b. Describe all services that are being furnished to the customer by Bullitt Utilities.

Answer: In filing a lawsuit seeking to recover overdue payments from its delinquent customers, Bullitt Utilities is not providing any service to its customers.

c. Did Bullitt Utilities compile a cost-of-service study justifying the proposed charges? If so, attach a copy to your answer.

Answer: Because Bullitt Utilities is not providing any equipment or services to its delinquent customers when filing a lawsuit seeking to recover overdue payments from same, it did not prepare a cost of service study. However, Bullitt Utilities provided a specific cost justification in Attachment B to its application.

3. In Bullitt Utilities' filing of proposed tariff sheet No. 6, numbered paragraph 5 listed as "Termination of Service Charge and Reconnection of Service Charge" and its charge cost justification calculation, it appears that Bullitt Utilities proposes to physically disconnect any sewer customer who has not paid his sewer bill. In Administrative Case No. 347 the Commission addressed the issue of disconnection for nonpayment of a sewer bill and found that plugging a sewer line is costly and imposes a disproportionate hardship on the customer, rendering his residence uninhabitable as a result. However, the Commission has said a water district could apply for a deviation for such an arrangement. According to the current tariff, Louisville Water Company, a utility not subject to Commission regulations, provides billing services for Bullitt Utilities.

a. Is Louisville Water Company the provider of water service to all customers of Bullitt Utilities?

Answer: Yes.

b. Do Bullitt Utilities and Louisville Water Company have any agreement to discontinue water service for nonpayment of a bill for sewer services, including refusal to accept partial payment of the Louisville Water Company bill?

Answer: No.

c. Has there been any correspondence or other communication between Bullitt Utilities and Louisville Water Company concerning their ability to terminate water service as a method of sewer bill collection? If so, attach copies of all correspondence or notes of communications.

Answer: Bullitt Utilities has previously discussed with Louisville Water Company the possibility of disconnecting water service due to nonpayment of a sewer bill, which would require a deviation from 807 KAR 5:006, Section 14. The Louisville Water Company has declined to agree to disconnect water service due to nonpayment of a sewer bill.

Respectfully Submitted,

Robert C. Moore

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415 West Main Street, 1st Floor

P.O. Box 676

kfort, Kentucky 19602 0276

Carroll F. Copa

#### STATE OF KENTUCKY

#### **COUNTY OF FRANKLIN**

Subscribed and sworn to before me by Carroll F. Cogan, this 24h day of July, 2009.

My commission expires: 3-11-16

Notary Public, Kentucky at Large

#### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, Kentucky 40602, and Gregory Stumbo, Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204, by placing same in the U.S. Mail, postage pre-paid, this the 28<sup>th</sup> day of July, 2009.

Robert C. Moore