

FLEMING COUNTY WATER ASSOCIATION
PO BOX 327 - FLEMINGSBURG, KY 41041

Office of the Attorney General
Rate Intervention Division
1024 Capitol Center Drive, Suite 200
Frankfort, KY 40602

2009-00240

RECEIVED

JUN 25 2009

PUBLIC SERVICE
COMMISSION

RE: APPLICATION FOR NONRECURRING CHARGE INCREASE

The Fleming County Water Association ("Fleming County") is requesting the PSC approve the nonrecurring charges listed herein. In support of its application, Fleming County states:

- Cost justification forms are included and show a full description of the equipment or service provided. The proposed rates cover incremental costs and a reasonable contribution to overhead. Further, Fleming County will file a new tariff if and when the proposed nonrecurring charges are approved which will set out an explanation of each charge.
- A copy of the notice that will be filed in the newspaper is included in this application. Verification from the newspaper that the notice will be published for three (3) consecutive is also included.
- A copy of this application has been filed with the Office of the Attorney General, Rate Intervention Division.
- Fleming County recently filed a rate case as allowed under the 278.023 Statue, but did not propose an increase in it's non recurring charges in that filing. Since the time of the current non recurring charges were approved the costs of performing the services associated with the nonrecurring charges listed herein have drastically increased. Fleming County cannot absorb the expenses associated with the nonrecurring charges until its next general rate case.
- The group of customers affected by the increase in nonrecurring charges will be the customers who cause Fleming County to incur the expense. It is unfair for all customers to absorb the cost Fleming County must incur due to a specific customer.

- A copy of the utility's income statement and balance sheet is on file with the PSC.
- The additional revenue will not exceed five (5) percent of the total revenues provided by all miscellaneous and non-recurring charges for 2007.
- Fleming County has not made more than 2 non-recurring filings between its last general rate case.

Should the PSC require additional information, please contact Eugene Jett, Manager of Fleming County.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. E. Smith".

President
Fleming County Water Association

FLEMING COUNTY WATER ASSOCIATION
PO BOX 327 - FLEMINGSBURG, KY 41041

Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602

RECEIVED

JUN 25 2009

PUBLIC SERVICE
COMMISSION

RE: APPLICATION FOR NONRECURRING CHARGE INCREASE

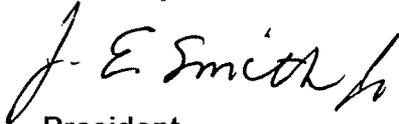
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President
Fleming County Water Association

AFFIDAVIT OF PUBLICATION

I, Janetta Barber, Employee of the Flemingsburg Gazette, published at Flemingsburg, Kentucky, do solemnly swear that from my own personal knowledge and reference to the files of said publication, that the following:

FCWA Rate increases ^{will be} ~~was~~ published in the Flemingsburg Gazette on June 24, 2009 and July 1, 2009 ..
and July 8, 2009

NOTARY PUBLIC

Subscribed and sworn to before me by JANETTA BARBER on this the 18 day of JUNE, 2009 My commission expires: 8-4-2011


Notary Public

NOTICE

Fleming County Water Association filed an application with the Public Service Commission to increase certain non-recurring charges for water service, within 30 days from filing its application as follows:

Charge	Current	Proposed
Connection/Turn On	25.00	40.00
Connection Turn – After Hours	0	60.00
Field Charge	25.00	40.00
Field Charge – After Hours	0	60.00
Late Payment Penalty	10%	10%
Meter Relocation	Actual Cost	Actual Cost
Meter Reread	25.00	40.00
Meter Reread – After Hours	0	60.00
Meter Test	41.00	41.00
Reconnection	25.00	40.00
Returned Check/Bank Draft	10.00	30.00
Service Call – Investigation	25.00	40.00
Service Call After Hours	35.00	60.00
Broken Lock Fee	0	50.00
Reconnection – After Hours	35.00	60.00
Connection Fee 5/8 Inch	590.00	883.00
Larger than 5/8 Inch	462.00	Actual Cost
Deposits	10% of Estimated Bill	10% of Estimated Bill

The rates contained in this notice are the rates proposed by Fleming County Water Association. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this notice.

Any corporation, association, body politic or person may by motion within thirty days after publication of the proposed rate changes request leave to intervene. The motion shall be submitted to the Public Service Commission, 211 Sower Blvd., PO Box 615, Frankfort, Kentucky 40602, and shall set forth the grounds for the request including the status and interest of the party.

Intervenors may obtain copies of the application and testimony by contacting the applicant at its offices or by calling (606) 845-3981. A copy of the application shall be made available for public inspection at the office of the utility.

FOR Fleming County, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. _____

Fleming County Water Association
(Name of Utility)

CANCELING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

E . SPECIAL NON-RECURRING CHARGES:

Connection/Turn-on Charge	40.00
Connection/Turn-on Charge (After Hours)	60.00
Field Collection Charge	40.00
Field Collection Charge (After Hours)	60.00
Late Payment Penalty	10%
Meter Relocation Charge	Actual Cost
Meter Re-read Charge	40.00
Meter Re-read Charge (After hours)	60.00
Meter Test Charge	41.00
Re-connection Charge	40.00
Re-connection Charge (After hours)	60.00
Returned Check Charge/Bank Draft	30.00
Service Call/Investigation	40.00
Service Call/Investigation (After Hours)	60.00

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____

ISSUED BY J E Smith _____
Month / Date / Year
(Signature of Officer)

TITLE President _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

FOR Fleming County, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. _____

Fleming County Water Association
(Name of Utility)

CANCELING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

D. METER CONNECTION/TAP-ON CHARGES:

5/8 Inch X 3/4 Inch

\$883.00

All Larger Meters

Actual Cost

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____

ISSUED BY J. E. Smith _____
Month / Date / Year
(Signature of Officer)

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: Returned Check and Bank Drafts

1. Field Expense:

A. Materials (Itemize)

_____ \$ _____

B. Labor (Time and Wage)

_____ \$ _____

Total Field Expense \$ _____

2. Clerical and Office Expense

A. Supplies \$ 10.00

B. Labor 20.00

Total Clerical and Office Expense 30.00

3. Miscellaneous Expense

A. Transportation \$ _____

Total Miscellaneous Expense \$ _____

Total Nonrecurring Charge Expense \$ 30.00

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: Broken Lock Fee

1. Field Expense:

A. Materials (Itemize)

<u>Lock</u>	<u>\$ 10.00</u>
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B. Labor (Time and Wage)

<u>1 hr. @ 18.00</u>	<u>\$18.00</u>
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Total Field Expense	<u>\$ 32.50</u>
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2. Clerical and Office Expense

A. Supplies	<u>\$ 3.50</u>
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B. Labor	<u>3.50</u>
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Total Clerical and Office Expense	<u>15.00</u>
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3. Miscellaneous Expense

A. Transportation	<u>\$ 15.00</u>
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Total Miscellaneous Expense	<u>\$ 15.00</u>
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Total Nonrecurring Charge Expense	<u>\$ 50.00</u>
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AVERAGE METER CONNECTION EXPENSE
COST JUSTIFICATION

Name of Utility Fleming County Water Association

The following is an itemization of expenses for providing a metered service connection.

A. Meter Size

5/8-Inch 3/4-Inch 1-Inch 1 1/2-Inch 2-Inch

Other (specify) at cost

B. Materials Expense

	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1. Water Meter	<u>1</u>	<u>\$ 180.92</u>	<u>\$ 180.92</u>
2. Meter Yoke <i>Tandem</i>	<u>1</u>	<u>136.58</u>	<u>136.58</u>
3. Corporation Stop	<u>1</u>	<u>30.93</u>	<u>30.93</u>
4. Meter Box and Top	<u>1</u>	<u>22.50</u>	<u>22.50</u>
5. Miscellaneous Fittings	<u>6</u>	<u>7.56</u>	<u>45.41</u>
6. Other (Itemize)	<u> </u>	<u> </u>	<u> </u>
Total Materials Expense (add total cost)			<u>\$ 449.19</u>

C. Service Pipe Expense

Type of Service Pipe Polyethylene Size of Service Pipe 1"

	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1. Short Side Service	<u>5'</u>	<u>\$.35</u>	<u>\$ 1.75</u>
2. Long Side Service	<u>80'</u>	<u>.35</u>	<u>28.00</u>
Average Cost (Add total cost and divide by 2)		<u>.70</u>	<u>\$ 14.87</u>

D. Installation Expense

Labor

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>1.5</u>	<u>\$ 55.06</u>	<u>\$ 123.89</u>
2. Long Side Service	<u>3.5</u>	<u>55.06</u>	<u>192.71</u>
Average Cost (Add total cost and divide by 2)			<u>\$ 158.30</u>

Equipment

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>1.5</u>	<u>\$ 45.00</u>	<u>\$ 67.50</u>
2. Long Side Service	<u>3.5</u>	<u>45.00</u>	<u>157.50</u>
Average Cost (Add total cost and divide by 2)			<u>\$ 112.50</u>

Installation Expense continued

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Inspection <i>Permit</i>	<u>1</u>	<u>\$27.66</u>	<u>\$27.66</u>
2. Site Clean-up	<u>1</u>	<u>60</u>	<u>60.00</u>
3. Other (Itemize) <i>Misc.</i>	<u>1</u>	<u>30</u>	<u>30.00</u>
Total Miscellaneous (add total cost)			<u>\$ 117.66</u>

E. Overhead Expense

1. Installation expense (\$ _____) times
overhead rate (_____ %) \$ _____

F. Administrative Expense

1. Office expense for establishing a new account
and billing record. \$ 30.60

G. Total Expense

1. Total of all items:

Materials Expense	\$ <u>449.19</u>
Service Pipe Expense	<u>14.87</u>
Installation Labor Expense	<u>158.50</u>
Installation Equipment Expense	<u>112.50</u>
Equipment Expense	<u> </u>
Miscellaneous Expense	<u>117.66</u>
Overhead Expense	<u> </u>
Administrative Expense	<u>30.60</u>
Total Connection Expense	<u>\$ 883.32</u>