

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF PEAKS MILL WATER)
DISTRICT TO INCREASE CERTAIN) CASE NO. 2009-00365
NONRECURRING CHARGES)

O R D E R

On September 9, 2009, Peaks Mill Water District ("Peaks Mill") applied for authority to revise its connection fees for 5/8 x 3/4-inch meters and one-inch meters. The filing was found to be deficient. On October 14, 2009, Peaks Mill filed additional information that cured these deficiencies and the application was considered filed as of that date. Commission Staff issued three information requests, and Peaks Mill responded to the first two.

On May 26, 2010, Commission Staff held an informal conference with Peaks Mill, as well as Elkhorn Water District and Northeast Woodford Water District, both of whom are requesting similar revisions to their connection fees. During the conference, the parties discussed whether the inclusion of a rock clause in the utilities' tariffs would resolve issues regarding the requested nonrecurring charges.

On June 16, 2010, Peaks Mill filed an amended tariff sheet and cost justification sheets.¹ The amended tariff sheet included a rock clause that would allow the utility to

¹ The amended filing by Peaks Mill materially amends the application. Peaks Mill is notified that the statutory deadline of KRS 278.190 by which the Commission must render a decision is revised to April 14, 2011.

recover additional costs from the customer when excessive rock is encountered when connecting the utility's system to the customer's service line. The newly filed cost justification sheets suggest that Peaks Mill's connection fee should be increased from its current level, but at a level lower than originally proposed.

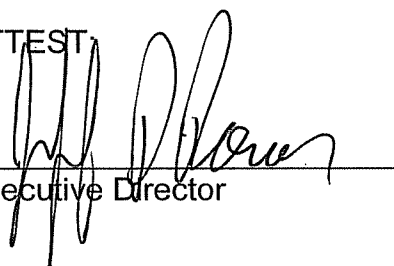
On April 27, 2010, Commission Staff, pursuant to 807 KAR 5:001, issued its third information request to Peaks Mill. Peaks Mill requested a 21-day extension by letter received on May 10, 2010. Peaks Mill then requested, on May 17, 2010, an informal conference with staff. At the May 26, 2010 informal conference, Commission Staff allowed Peaks Mill to respond to the third data request no later than June 15, 2010. Peaks Mill has not responded to Commission Staff's third data request. Although the utility has filed an amended application, the Commission finds that Commission Staff's third information request seeks relevant information that could provide support for Peaks Mill's requested nonrecurring charges.

IT IS HEREBY ORDERED that Peaks Mill shall file responses to Commission Staff's third information request within 14 days of the date of this Order.

By the Commission

ENTERED *ELW*
JUL 19 2010
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST


Executive Director

Church Quarles
Peaks Mill Water District
310 Perkins Road
Frankfort, KY 40601