COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES FOR THE)
WHISPERING HILLS SANITARY SEWERS-)
DIVISION OF GEORGE E. BUISSON) CASE NO. 8493
REALTY CO., INC., OF JEFFERSON)
COUNTY, KENTUCKY)

ORDER

IT IS ORDERED that Whispering Hills Sanitary Sewers-Division of George E. Buisson Realty Co., Inc., of Jefferson County, Kentucky, shall file an original and six copies of the following information with the Commission, with a copy to the Attorney General's Consumer Protection Division, by May 7, 1982:

- 1. KRS 278.310(2), Section 9(b) requires that a utility submit a schedule of present and proposed rates in comparative form showing the present rates and revenues received under such and the same information concerning the proposed rates. Please supply this schedule.
- 2. Exhibit 8, page two of seven, shows a total of 1448 customers, however, on page 10 of the 1981 annual report the utility shows 1482 customers, or a difference of 34 customers. Please explain this difference.
- 3. On the comparative income statement (Exhibit 8-1), the utility shows actual revenues for the year ended

December 31, 1981, in the amount of \$94,664.96. We have compiled the information for this period as recorded on the Louisville Water Company advices and arrive at a total of \$59,628.30 in annual revenue for the period. Please submit an analysis, by months, of this difference of \$35,036.66.

4. Submit copies of invoices substantiating the annual amounts in the following accounts:

Water Cost		\$ 2,881.87
Electric Cost		19,523.07
Sludge Hauling		3,537.25
Repairs and Maintenance*		11,166.79
Parts*		4,915.00
URC Assessment		410.00
Property Taxes		630.84
Trash Collection (copy of April, 1981 invoice only)	the	25.75
*Submit all invoices over	\$50.00	

- 5. Provide written documentation from your chemical supplier concerning its projection of a 5 percent increase in chemical cost in 1982.
- 6. We are attaching a copy of your exhibit 8(8), the depreciation schedule, on which the Commission has made an adjustment to certain items of plant. For rate-making purposes, the Commission allows only straight-line depreciation. Please confirm this computation, or submit any amendments you propose to the schedule.

- 7. In item 8 of the comments to the comparative income statement, you project an anticipated expense for cleaning of Wet Tax 15 1/4 hours at \$71.25 per hour (based on test period) of \$1,086.56." Please identify further the purpose of this anticipated operating expense as related to sludge hauling.
- 8. In several instances, we find that you have increased actual operating expenses by approximately 10 percent because of an anticipated increase in cost related to inflation without providing documentary evidence. It is the Commission's policy to disallow pro forma increases to actual operating expenses which are not known and measurable expenses. Provide any documentation of known expense increases for which you have verifiable evidence.
- 9. On exhibit 8(10), the schedule lists principal amounts owed to Buisson Investments totalling \$691,194.35. Submit the following information concerning each note:
 - (a) a copy of each note
 - (b) purpose of the proceeds of each note
 - (c) amortization schedule on each note.

IT IS FURTHER ORDERED that in the event the above information is not timely filed, the Commission may dismiss the case without prejudice absent a motion for an extension of time for good cause.

Done at Frankfort, Kentucky, this 23rd day of April,

PUBLIC SERVICE COMMISSION

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ATTEST:

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Secretary

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