

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

APPLICATION OF SUNSHINE SEWER )  
SYSTEMS, INC. FOR AN ADJUSTMENT )  
OF RATES PURSUANT TO THE )  
ALTERNATIVE PROCEDURE FOR )  
SMALL UTILITIES )

CASE NO. 8650

O R D E R

IT IS ORDERED that Sunshine Sewer Systems, Inc., shall file an original and seven(7) copies of the following information with the Commission with a copy to all parties of record by November 5, 1982. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case will be dismissed.

- (1) (a) In the 1980 Annual Report on page 2 of the Balance Sheet, explain the significant increase and provide a breakdown of Account 143, Other Accounts Receivable, from \$2,767 to \$101,898.
- (b) Provide a breakdown of Account 143, Other Accounts Receivable on the Balance Sheet of 1981 Annual Report.
- (2) Provide a depreciation schedule for utility plant.
- (3) Provide a breakdown of the proceeds of the note payable to Stock Yard Bank of Louisville, dated 1-11-80 and maturing on 1-11-85. Also provide a copy of the contract and information stating the terms, call features, interest rate and payback period of the contract.

(4) On page 11 of the 1979 through 1981 Annual Reports, it is reported that 100% of the Sewer Utility Plant in Service was recovered through the sale of lots. Yet the amount of the plant recovered through the sale of lots is not properly reported on the Balance Sheet in Account 271, Contributions in Aid of Construction. Please correct the Balance Sheet accounts affected and submit corrected copies of the Balance Sheets for the 1979, 1980, and 1981 Annual Reports, along with appropriate journal entries to note the corrections.

(5) Explain the increases from \$254,569 in 1979 to \$374,610 in 1980 to \$381,205 in 1981 reported in Other Paid in Capital.

(6) In the 1979 Annual Report it is reported that 50 loads of sludge were hauled. In the 1980 and 1981 Annual Reports sludge hauled increased to 63 loads and 96 loads, respectively. Explain this significant increase and state the expected number of loads to be hauled during the current year 1982.

(7) For each expense increase listed on page 13 of the application provide:

(a) The effective or starting date of each increase in expense.

(b) The 1981 volumes, (i.e., usage, frequency, hours, KWH, fees, etc.) used for each type of expense listed. Verify this information by supplying the necessary invoices, bills, contract agreements, insurance policy, etc. for the expenses.

Note: If this information is not filed, the Commission will not adjust 1981 expenses. The Commission's policy is to accept adjustments that are known and measurable.

(8) Provide a breakdown of the following 1981 expenses:

(a) Account 921, Office Supplies and other Expenses of \$2,386. (Provide invoices of items included in this account of \$10 or more.)

(b) Account 923, Outside Services Employed of \$980.

(9) Explain the increase in interest and dividend income from \$2,000 in 1980, to \$12,115 in 1981.

(10) Provide a billing analysis for the commercial, apartment, and school customers.

Done at Frankfort, Kentucky, this 13th day of October, 1982.  
PUBLIC SERVICE COMMISSION

  
\_\_\_\_\_  
For the Commission

ATTEST:

\_\_\_\_\_  
Secretary