

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF GREEN RIVER)
VALLEY WATER DISTRICT, HART,)
BARREN, AND LARUE COUNTIES) CASE NO. 8668
KENTUCKY, FOR AUTHORITY TO AD-)
JUST RATES)

O R D E R

IT IS ORDERED that Green River Valley Water District ("Green River") shall file an original and seven copies of the following information with the Commission by December 17, 1982. Green River shall furnish the name of the witness who will be available at the public hearing to respond to questions concerning each item of information provided. 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. Provide an analysis which reflects the allocation of all costs associated with transportation equipment for the test period.

2. Provide the basis for the allocation of salaries listed in Exhibit C of the response dated November 15, 1982.

3. Provide a schedule which reflects the amount of labor capitalized for each of the 5 years preceeding the test period.

4. Provide a specific description of the duties and responsibilities of each of the Commissioners of Green River.

5. Provide a copy of the contract between Damon Talley and Green River concerning legal services performed under the retainer arrangement. Also, provide a complete list of the legal services that were provided under the retainer contract during the test period.

6. Item No. 5 of the response dated November 15, 1982, did not include the hourly rates and time charged to the utility for accounting, legal, engineering, or other professional services. Provide this information for the test period.

7. The response dated November 15, 1982, contained an Exhibit E entitled "Analysis of Professional Services" which listed the following expenditures:

| | | |
|----------------------------|----------|---------|
| 12/16/81 Cavelander | ck # 406 | \$25.00 |
| 12/11/81 Glasgow Water Co. | ck # 392 | \$40.00 |
| 1/ - 82 Jim Finley | ck # 498 | \$28.00 |

Provide a description of the professional services provided by these vendors.

8. Exhibit E of the response dated November 15, 1982, lists a \$900 expenditure to Quality Watermain and Plumbing and a \$125 expenditure to Munfordville Utilities. Provide a detailed description of the services provided and a description of the circumstances which necessitated the procurement of these vendors.

9. Provide a copy of all permits and a description of the circumstances surrounding the acquisition of each permit listed in Exhibit E of the response dated November 15, 1982.

10. The response dated November 15, 1982, contained an Exhibit G-1 entitled "Investments" which indicated that the following securities have presently matured:

- 1) 38 M U.S. Treasury Notes 8.375%
Due September 30, 1982
- 2) 10 M U.S. Treasury Notes 11.875%
Due September 30, 1982
- 3) New Farmers National Bank 6 month
M/M C/D #8063 Due October 8, 1982, 13.052%

Provide a schedule which reflects the use of the funds from these matured securities. If the funds were re-invested provide the interest rate, maturity date, and type of security purchased.

11. Provide the level of funds required to be maintained in the depreciation fund under agreements with bondholders.

12. The copies of the wholesale water contract between Green River and Larue County Water District provided in the response dated November 15, 1982, were illegible. Provide copies of the contract which are clear and legible.

13. Green River has proposed certain adjustments in the application to the test year operations statement. Provide the basis including all underlying assumptions along with detailed supporting computations and explanations of the methodology used for the following proposed adjustments.

- 1) An increase in wholesale water revenue of \$10,080 from Larue County Water District.
- 2) An increase in power for pumping expense in the amount of \$10,000.
- 3) An increase in chemicals expense in the amount of \$1,205.
- 4) An increase in repairs and maintenance in the amount of \$5,117.
- 5) An increase in administrative salaries in the amount of \$4,217.
- 6) An increase in office supplies in the amount of \$731.
- 7) An increase in employee benefits and retirement in the amount of \$2,557.
- 8) An increase in taxes other than income in the amount of \$1,060.
- 9) A decrease in interest income in the amount of \$8,493.

14. Provide the interest rate for the certificate of deposit included in the depreciation fund.

15. Provide a further breakdown of the billing analysis dated November 8, 1982, to show number of customers and gallons used for rate increments of 10,000 to 20,000 gallons and 20,000 to 50,000 gallons.

16. Provide a schedule which reflects the source(s) and a description of the services provided in connection with contract labor and miscellaneous revenue for the test period.

Done at Frankfort, Kentucky, this 9th day of December, 1982.

PUBLIC SERVICE COMMISSION


By the Commission

ATTEST:

Secretary