

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF NORTH SHELBY WATER)
COMPANY FOR A CERTIFICATE THAT THE)
PRESENT AND FUTURE PUBLIC CONVENIENCE)
AND NECESSITY REQUIRES THE APPLICANT)
TO EXTEND ITS LINES AND CONSTRUCT)
FACILITIES NECESSARY TO CONNECT WITH) CASE NO. 8718
AND PURCHASE WATER FROM FRANKFORT)
WATER PLANT, FOR AN ORDER AUTHORIZING)
THE ISSUANCE OF A NOTE TO FINANCE)
SUCH CONSTRUCTION AND FOR AN ORDER)
AUTHORIZING INCREASE OF RATES)

O R D E R

IT IS ORDERED that North Shelby Water Company ("North Shelby") shall file an original and seven copies of the following information with the Commission by February 2, 1983. If the information requested or a motion for an extension of time is not filed by the stated date, the Commission may dismiss the case without prejudice. North Shelby shall furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each item of information requested.

1. Regarding rate case expenses of \$2,301 incurred in Case No. 8285 in 1981, provide the account(s) in which these items were expensed, and verify that these items were expensed rather than amortized.

2. Regarding the proposed connection with the Frankfort Water Plant, provide the following:

- a. An expansion of whether any attempts have been made to negotiate a wholesale price for purchased water from the Frankfort Water Plant. If attempts have been made or will be made, provide any price adjustments resulting from these efforts. If no attempts have been made, explain why.
- b. The number of new customers which will be added as a result of this construction and their estimated average demand. Also, for the 75,000 gallons of water per day expected to be purchased from the Frankfort Water Plant, provide a breakdown between the expected volume to be purchased by new customers and that expected to be purchased by existing customers. Provide the total annual volume of water expected to be purchased and sold by North Shelby after the construction is completed.
- c. Provide adjustments to any test period revenues and expenses that are expected to change (i.e. increase or decrease) as a result of the new construction (e.g. increased purchased water costs if purchases will increase, increased or decreased power costs, etc.).

3. The following accounts showed substantial increases over the past 3 calendar years:

	<u>1979</u>	<u>1980</u>	<u>1981</u>
Meter Reading Labor	\$8,226	\$11,174	\$14,120
Outside Services	3,955	5,818	15,134
Transportation Expenses	7,738	12,374	13,925

Regarding these accounts, provide detailed explanations for the increases, summarize and list the major non-recurring expenditures, and provide invoices for all expenditures over \$100.

4. Provide invoices for the account "Power for Pumping Equipment" for the test period.

Done at Frankfort, Kentucky, this 18th day of January, 1983.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary