

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF DOVE CREEK )  
SANITATION, INC., FOR AN ADJUST- )  
MENT OF RATES PURSUANT TO THE ) CASE NO. 8912  
ALTERNATIVE PROCEDURE FOR )  
SMALL UTILITIES )

O R D E R

On October 3, 1983, Dove Creek Sanitation, Inc., ("Dove Creek") filed an application to increase its rate for sewer service pursuant to 807 KAR 5:076, Alternative Rate Adjustment Procedure for Small Utilities ("ARF"). Furthermore, Dove Creek requests that it be allowed a monthly surcharge of \$6.87 for a period of 1 year to make major repairs and replacements to its sewer system of \$8,999.

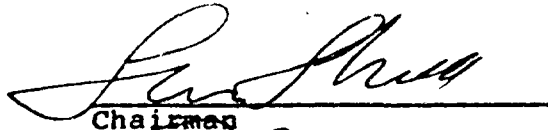
In adopting the ARF, the Commission recognized the high costs associated with rate applications before the Commission and initiated the simplified procedure in order to alleviate the cost burden of acquiring legal counsel and rate consultants. The Commission anticipated that in most cases a hearing would not be required and that the evidence of record would consist of the annual reports on file with the Commission, information submitted in the application form, and responses to requests for information.

In this case, Dove Creek's request to recover, by means of a surcharge, the cost of major repairs and improvements to its sewer system is outside the procedures established in 807 KAR 5:076 and the Commission's established rate-making policies. Therefore, in order to afford due process to all parties concerned, the Commission must process this application under the general rate case procedure which will require public hearings and additional evidence on this issue. However, if Dove Creek should choose to withdraw its request for rate-making treatment outside the Commission's established policy, the alternative rate adjustment filing can be processed in the normal manner.

IT IS THEREFORE ORDERED that Dove Creek shall notify the Commission within 10 days of the date of this Order of its desire to proceed with this case under the general rules of the Commission or to withdraw its request for a surcharge to make major repairs and replacements to its sewer system.

Done at Frankfort, Kentucky, this 31st day of October, 1983.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Secretary