

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

THE APPLICATION OF ALTON WATER)
DISTRICT FOR AN ADJUSTMENT OF)
RATES PURSUANT TO THE ALTERNATIVE) CASE NO. 8914
PROCEDURE FOR SMALL UTILITIES)

O R D E R

IT IS ORDERED that Alton Water District ("Alton") shall file an original and six copies of the following information with the Commission by January 25, 1983. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

(1) Alton reports fuel and power purchased for pumping of \$2,600 for the test period. The total of the electric bills supplied in support of that account as calculated by the Commission is \$2,073. Please explain this discrepancy.

(2) It is the Commission's policy to disallow depreciation associated with contributed property for rate-making purposes. Alton's 1982 balance sheet reflects total contributions of \$106,373, approximately 57 percent of Alton's utility plant in service. In order for the Commission to make an informed decision in this case, provide all information or arguments available in support of Alton's position on this issue.

(3) Provide a clear and concise explanation of the rate-making treatment requested for the 3 Items referred to in Item III-A(1) of the application.

(4) Alton has requested an increase in revenue of \$13,253 annually. In its request of October 25, 1983, Item 8, the Commission required Alton to provide an explanation, including copies of workpapers, of the calculations used to determine the requested increase. Alton's response indicates that the requested information had been previously filed, yet the Commission is unable to locate any such information in its files. Provide, the calculations used by Alton to determine its requested increase of \$13,253 annually. Include copies of workpapers and complete explanations of all assumptions made by Alton. If this information has been previously filed in the detail requested reference to its location will be sufficient.

(5) Provide the total amount of compensation and employee benefits charged to operating expense for each employee during the test year. Also, indicate the account to which the expense is charged.

(6) Provide an explanation of the debt service requirements, if any, contained in Alton's Bond Resolution.

(7) Provide an amortization schedule of the waterworks revenue bonds of 1965. The information provided in Attachment C is a schedule of bond maturities which does not contain as much data as an amortization schedule.

(8) Provide the basis for amortizing the engineering fees related to the rejected rate case over a 5-year period versus another period.

(9) Provide the formal notice from the City of Lawrenceburg of the increased water rates to be charged effective with the December 1983 bill.

(10) Item III-A1-B of Altons response to the Commission's Order of October 25, 1983, indicates that the Commissioner who uses his home for the District's office may leave upon expiration of his term. Provide the date of the expiration of his term.

(11) Do you serve any customers under the special contract rate? If so, what size meter are they served on? Do you propose to charge these customers, if any, the same rate as all other customers? If any customers are served under this rate schedule provide a billing analysis showing present rates and revenue for these customers.

(12) Provide a billing analysis showing proposed rates and revenue for all customers. This billing analysis, as requested in the information request dated October 25, 1983, must cover the same period of time as billing analysis furnished showing present rates and revenue.

Done at Frankfort, Kentucky, this 10th day of January, 1984.

PUBLIC SERVICE COMMISSION


By the Commission

ATTEST:

Secretary