

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APPLICATION OF ESTILL COUNTY)
WATER DISTRICT NO. 1 FOR (1) A)
CERTIFICATE OF PUBLIC CONVENIENCE) CASE NO. 9018
AND NECESSITY, (2) APPROVAL OF)
PROPOSED FINANCING, AND (3))
APPROVAL OF INCREASED RATES)

O R D E R

IT IS ORDERED that Estill County Water District No. 1 ("Estill County") shall file an original and seven copies of the following information with the Commission with a copy to all parties of record by July 6, 1984. Estill County shall also furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each area of information requested. If neither the requested information nor an extension of time is filed by the stated date the case may be dismissed.

1. Exhibit 2 of Estill County's response to this Commission's Order of May 4, 1984, contained a letter from Estill County's insurance agent, H. W. Birchfield, estimating the cost to insure the proposed system. Mr. Birchfield's estimate was \$317 while the application's proposed adjustment was \$149. Please indicate which amount should be used as Estill County's adjustment to the test period for insurance expense.

2. What is the expected delivery date of the 1984 bond issue?

3. Exhibit 4 of Estill County's response to this Commission's Order of May 4, 1984, stated that the 1983 engineering expense was generated by five projects. It seems that the cost of some of these items should have been capitalized in that they would benefit future periods (Pea Ridge Road Pump Station Renovation, FmHA Phase III Water Project, and FmHA Phase IV Water Project.

A. Please provide a breakdown of the 1983 expense for engineering fees to include:

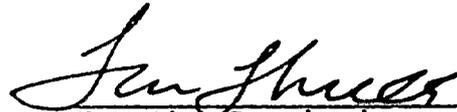
- (1) the amount associated with each project, and
- (2) a full description of the service obtained.

B. How much of the Phase III Water Project can reasonably be expected to be reimbursed by FmHA? At what date will a definite amount become known to Estill County?

C. Will Estill County be reimbursed for any other engineering fees which it incurred for other projects? If so, from whom is the reimbursement expected and how much?

Done at Frankfort, Kentucky, this 25th day of June, 1984.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary