

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APPLICATION OF U.S. 60 WATER)
DISTRICT OF SHELBY AND FRANKLIN)
COUNTIES, KENTUCKY FOR (1) A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY; (2) APPROVAL OF)
THE PROPOSED PLAN OF FINANCING) CASE NO. 9149
OF SAID PROJECT; AND (3) APPROVAL)
OF THE INCREASED WATER RATES)
PROPOSED TO BE CHARGED BY THE)
DISTRICT TO CUSTOMERS OF)
THE DISTRICT)

O R D E R

IT IS ORDERED that the U.S. 60 Water District of Shelby and Franklin Counties ("U.S. 60") shall file an original and seven copies of the following information with the Commission with a copy to all parties of record by November 13, 1984. U.S. 60 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 a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. Please provide a detailed income statement for test period operations from July 1, 1983, to June 30, 1984.

2. Provide a copy of the invoices for the following maintenance expenses (limited to invoices of \$50 or more):

a. Structures (\$572)

- b. Pumping Equipment (\$1,293)
- c. Distribution Mains (\$6,155)
- d. Services and Meters (\$9,594)
- e. Hydrants (\$202)

3. Provide a breakdown of Office Salaries (\$1,800), Management Salary (\$9,921), Commission Member Fees (\$1,475) and Legal and Accounting (\$5,107) to include the following:

- a. Names and titles of employees.
- b. Base salary and/or hourly rate.
- c. Number of hours worked per week in the performance of duties or number of hours worked during the test period.
- d. Description of services.

4. Provide a breakdown of test period Miscellaneous General Expenses (\$604).

5. It is the Commission policy to accept only known and measurable adjustments to test period expenses. Exhibit O of the application contained a comparative income statement and pro forma adjustments. Please provide any back-up (workpapers, documented estimates, bases for conclusions, etc. . .) that you feel may help support the proposed increases to test period expenses.

6. According to the application (page 3, item 8) construction bids have been received. When were the bids advertised? received? When do the bids expire?

7. Insurance expense for January, 1984, was \$443. Provide a description of this expense to include the type of coverage and the effective dates.

8. Provide a breakdown of test period travel expense (\$4,814).

9. Provide hydraulic analyses, supported by computations and actual field measurements, of typical operational sequences of the existing water distribution system. Computations are to be documented by a schematic map of the system that shows pipeline sizes, lengths, connections, pumps, water storage tanks, and sea level elevations of key points, as well as allocations of actual customer demands. Flows used in the analyses shall be identified as to whether they are based on average instantaneous flows, peak instantaneous flows, or any combination or variation thereof. The flows used in the analyses shall be documented by actual field measurements and customer use records. Justify fully any assumptions used in the analyses.

10. Provide hydraulic analyses, supported by computations and field measurements, demonstrating the appropriateness of the engineering design of the proposed construction of additions and extensions. Justify fully any assumptions used in the analyses.

11. Provide a pressure recording chart showing the actual 24-hour continuously measured pressure available near the connection point of U. S. 60's existing waterline to the Frankfort Plant Board's water system. Identify the 24-hour period recorded, the exact location of the pressure recorder and the sea level elevation of the recorder.

12. Provide a pressure recording chart showing the actual 24-hour continuously measured pressure available near the connection point of U. S. 60's proposed waterline to serve the Hemp

Ridge Road area. Identify the 24-hour period recorded, the exact location of the pressure recorder and the sea level elevation of the recorder.

13. Provide plans and specifications.

14. Provide Bid Tabulations and Final Engineering Report (when available).

15. The Preliminary Approvals from the Division of Water expire on December 5, 1984, and December 12, 1984. In the event that the Commission does not enter an Order in this case prior to these dates, is U. S. 60 prepared to request time extensions on these approvals?

16. Page 2 of the FmHA Letter of Conditions lists 545 current users and 30 new users. Exhibit N in the application lists 547 current users. Page 3 of the Engineering Report lists 550 current users. How many users did you serve during the test period?

17. Please explain how you arrived at 6,892 individual bills as shown in Exhibit M.

18. How many new customers do you expect to add to the system due to the proposed construction? When do you expect these customers to connect to the system? Will all the new customers be classified as residential users? If so, what is the current average residential usage per month?

19. Please explain why the proposed water rates in Exhibit H are different from the rates proposed on Page 13 of the preliminary engineering report.

20. The income statement, Exhibit O, shows test year revenues to be \$120,856. By using the actual rates charged during the test year the billing analysis produces \$124,946. Please provide an explanation for the difference of \$4,090 or 3.38 percent.

21. The income statement and Exhibit M shows projected revenues to be \$166,403. The billing analysis using proposed rates produces \$181,122. Please explain the difference of \$14,719.

22. The proposed rules and regulations does not show a charge for reconnect fees. (See Exhibit W, Section F) Do you propose to increase this charge? If so, please provide cost justification on the attached form.

23. Are all connection fees and other special charges compensatory? If not, please provide cost justification to increase these charges by using the attached forms.

Done at Frankfort, Kentucky, this 29th day of October, 1984.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary

COMMONWEALTH OF KENTUCKY
 PUBLIC SERVICE COMMISSION
 P.O. BOX 615
 FRANKFORT, KENTUCKY 40602

Average Metered Service Connection Expense

Name of Utility: _____ Address: _____

The following is an itemization of expenses for providing a metered service connection.

A. Meter Size

5/8-Inch 3/4-Inch 1-Inch 1 1/2-Inch 2-Inch

Other (specify) _____

B. Materials Expense

	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1. Water Meter	_____	\$ _____	\$ _____
2. Meter Yoke	_____	_____	_____
3. Corporation Stop	_____	_____	_____
4. Meter Box and Top	_____	_____	_____
5. Miscellaneous Fittings	_____	_____	_____
(Itemize)	_____	_____	_____
6. Subtotal (Add column 3)			\$ <input style="width: 100px;" type="text"/>

C. Service Pipe Expense

Type of Service Pipe: _____ Size of Service Pipe _____

	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total Cost</u>	
1. Short Side Service	_____ L. F. \$	_____ L. F.	_____	
2. Long Side Service	_____ L. F.	_____ L. F.	_____	
3. Subtotal (Add column 3 and divide by 2)				<input type="text" value="\$"/>

D. Installation Expense

Labor

	<u>Total Hours</u>	<u>Rate Per Hour</u>	<u>Total Cost</u>	
1. Short Side Service	_____	\$ _____	\$ _____	
2. Long Side Service	_____	_____	_____	
3. Subtotal (Add column 3 and divide by 2)				<input type="text" value="\$"/>

Equipment

	<u>Total Hours</u>	<u>Rate Per Hour</u>	<u>Total Cost</u>	
1. Short Side Service	_____	\$ _____	\$ _____	
2. Long Side Service	_____	_____	_____	
3. Subtotal (Add column 3 and divide by 2)				<input type="text" value="\$"/>

Miscellaneous

	<u>Total</u>	<u>Rate Per Hour</u>	<u>Total Cost</u>	
1. Inspection	_____	_____	_____	
2. Site Clean-Up	_____	_____	_____	
3. Other (Itemize)	_____	_____	_____	
4. Subtotal (Add column 3)				<input type="text" value="\$"/>

E. Overhead Expense

1. Installation expense (\$ _____) x
overhead rate (_____ %)

\$

F. Administrative Expense

1. Office expense for establishing a new account
and billing record.

\$

G. Expense Summary

1. Total of items B-F

\$

Special Charge Cost Schedule

Type of Special Charge: _____

1. Field Expense

A. Materials (Itemize)

\$ _____

B. Labor (Time and Wage)

Subtotal Field Expense

2. Clerical and Office Expense

A. Supplies

\$ _____

B. Labor

Subtotal Clerical and Office Expense

3. Miscellaneous Expense

A. Transportation

\$ _____

B. Other (Itemize)

Subtotal Miscellaneous Expense

Total Expense
