

In the Matter of:

THE KENTUCKY PUBLIC SERVICE ) COMMISSION ) VS. ) WESTERN FLEMING COUNTY WATER ) DISTRICT )

## ORDER

On June 25, 1986, a periodic inspection was made of Western Fleming County Water District ("Western Fleming"), located in Ewing, Kentucky. During that inspection, it was noted that Western Fleming is charging \$.55 per 1,000 gallons for water sold to the Buffalo Trail Water Association ("Buffalo Trail"). Western Fleming's tariff shows that the rate approved by Order entered June 23, 1980, in Case No. 7751, is \$.50 per 1,000 gallons.

Western Fleming also sells water to the Fleming County Water Association ("Fleming Association"), and to the Southern Mason Water District ("Southern Mason"). Further, the sale of water to Fleming Association under the terms of a contract not sanctioned by Commission approval was disclosed during the proceedings of Case No. 7860-1, Purchased Water Adjustment OĒ Fleming Association. Western Fleming was advised of this by letter dated April 12, 1984, and required to make appropriate filings requesting approval of the wholesale rate for Fleming Association.

On August 4, 1986, a Commission staff member telephoned J. H. Bradley, Secretary-Treasurer of Buffalo Trail. Mr. Bradley stated that Buffalo Trail had been notified by Western Fleming in July, 1985, that the rate would be increased from \$.50 to \$.75 per 1,000 gallons of water. Buffalo Trail objected and, after negotiations, the rate of \$.55 per 1,000 gallons was agreed upon and placed into effect in early 1986. Approval of the increased rate as required by 807 KAR 5:067 (currently 807 KAR 5:068) has not been requested by Western Fleming nor otherwise granted by the Commission.

The inspection further showed that deficiencies noted in the Commission's periodic inspections in 1984 and 1985 had not been corrected. The same deficiencies noted in the 1986 periodic inspection were as follows:

1. Western Fleming has raised its service connection and service reconnection charges without the approval of the Commission as required by 807 KAR 5:001, Section 10, and 807 KAR 5:006, Section 10.

2. Western Fleming is not maintaining history cards and test cards on its meters as required by 807 KAR 5:006, Section 15.

3. Western Fleming does not have a pressure recording device that can record a continuous 24-hour test as required by 807 KAR 5:066, Section 6 (2).

Western Fleming is not performing annual pressure sur veys or keeping records as required by 807 KAR 5:066, Section 6
(3).

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After considering the matter and being advised, the Commission, on its own motion, finds that a hearing should be held in this matter.

IT IS THEREFORE ORDERED that Western Fleming shall appear at the offices of the Commission in Frankfort, Kentucky, on September 16, 1986, at 1:30 p.m., Eastern Daylight Time, and show cause as to why it should not be subject to penalties as provided in KRS 278.990 for failure to comply with the requirements set forth herein.

Done at Frankfort, Kentucky, this 29th day of August, 1986.

PUBLIC SERVICE COMMISSION

Chairman Ce

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ATTEST:

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Executive Director