

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF REIDLAND WATER)
AND SEWER DISTRICT TO ESTABLISH) CASE NO. 93-061
CERTAIN NON-RECURRING CHARGES)

O R D E R

IT IS ORDERED that Reidland Water and Sewer District ("Reidland") shall file the original and 10 copies of the following information with the Commission with a copy to all parties of record within 14 days of the date of this Order. Reidland shall furnish with each response the name of the witness who will be available to respond to questions concerning each item of information requested should a public hearing be scheduled.

1. a. State whether the fees paid as contributions in aid of construction ("CIAC") i.e. \$1,150 and \$2,150, will be used solely to retire the debt incurred to finance the construction of the gravity sewer.

b. If receipts from the CIAC fees are not sufficient to cover this debt, explain how any deficit will be met.

2. State whether Reidland has placed any limit on the total receipts to be generated by the CIAC fees. If yes, state the limit.

3. If no limit will be placed on the level of revenue to be generated by the CIAC fees and if total receipts from the CIAC fees

exceed the amount required to fund the debt, state how the additional funds will be used.

4. a. State the monthly rates which Reidland would be required to charge for service if the cost of the gravity sewer were recovered through monthly service rates rather than the CIAC fees.

b. State whether consideration was given to financing the gravity sewer through monthly rates rather than through the CIAC fees. If no, please explain.

5. Provide justification for charging different CIAC fees for existing customers and potential customers.

6. Provide detailed calculations showing how each charge was determined.

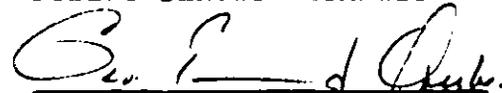
7. a. State how the number 60 for potential customers was determined.

b. Explain how the difference would be made up if 60 customers were not added to the system.

c. State how long it would take to add the 60 potential customers to the system.

Done at Frankfort, Kentucky, this 21st day of May, 1993.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director