

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

HUNTSVILLE-SOUTH HILL WATER )  
ASSOCIATION, INC. )  
 ) CASE NO. 93-175  
 )  
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 )  
ALLEGED VIOLATIONS OF COMMISSION )  
REGULATIONS 807 KAR 5:006 AND )  
807 KAR 5:066 )

ORDER TO SHOW CAUSE

Huntsville-South Hill Water Association, Inc. ("Huntsville-South Hill"), a water association formed for the purpose of furnishing water services to the general public pursuant to the provisions of KRS Chapter 273, owns and operates facilities used for the distribution and furnishing of water to the public for compensation in Butler County, Kentucky, and is therefore a utility subject to Commission jurisdiction. KRS 278.010(3)(d); KRS 278.012.

KRS 278.280 authorizes the Commission to prescribe rules for performance of any service furnished or supplied by a utility. Pursuant to this authority, the Commission has promulgated Commission Regulation 807 KAR 5:006, which establishes general rules for all utility operations, and 807 KAR 5:066, which establishes general rules for the operation of water utilities.

On September 15, 1992, Commission Staff inspected Huntsville-South Hill's records and facilities for compliance with Commission regulations. In its report of this inspection, which is appended

hereto, Commission Staff listed three instances where the utility failed to comply with Commission regulations.

Having reviewed the report of this inspection and being otherwise sufficiently advised, the Commission finds that a prima facie showing has been made that Huntsville-South Hill is in violation of Commission Regulations 807 KAR 5:006 and 807 KAR 5:066.

The Commission, on its own motion, HEREBY ORDERS that:

1. Huntsville-South Hill shall appear before the Commission on July 22, 1993, at 1:30 p.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of presenting evidence concerning the alleged violations of Commission Regulations 807 KAR 5:006 and 807 KAR 5:066, and of showing cause why it should not be subject to the penalties prescribed in KRS 278.990(1) for these alleged violations.

2. Huntsville-South Hill shall submit to the Commission, within 20 days of the date of this Order, a written response to the allegations contained herein and to the contents of the Inspection Report.

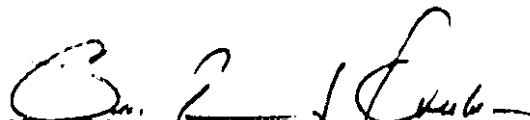
3. The Utility Inspection Report of September 18, 1992, which is appended hereto, is made part of the record of this proceeding.

4. Any motion requesting an informal conference with Commission Staff to consider the simplification of issues or any other matters which may aid in the handling or disposition of this

proceeding shall be filed with the Commission no later than 20 days from the date of this Order.

Done at Frankfort, Kentucky, this 11th day of May, 1993.

**PUBLIC SERVICE COMMISSION**

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:



Executive Director

Commonwealth of Kentucky  
Public Service Commission

UTILITY INSPECTION REPORT

Huntsville-South Hill Water System, Inc.  
Huntsville, Kentucky

Utility operations, utility maintenance, utility management and their effect on utility services are a primary concern of the Commission and this Division. Our ongoing inspection program is an expression of this concern. During each inspection, I am stressing: (1) the importance of periodic testing of customers' meters, (2) the importance of accounting for all water purchased and/or produced, (3) the need for surveillance of system operations and (4) the significance of good operating records.

The subject inspection was made September 15, 1992. The utility consists of a distribution system operating in Butler County, Kentucky. It has approximately 198 customers on its system. The utility representative providing information and assistance during this inspection was Rollie Porter of the Association.

The Association's facility operations and its office procedures were reviewed for compliance with the Kentucky Revised Statutes (KRS 278) and the Public Service Commission Regulations (807 KAR).

The following deficiencies were noted:


1. The utility is not filing the periodic ("Quarterly") meter report with the Commission as required in accordance with 807 KAR 5:006, Section 3(2).

2. The utility is not keeping appropriate records to identify the inspection procedures made, deficiencies found and action taken to correct the deficiencies pursuant to 807 KAR 5:006, Section 25(3).
3. The utility is not providing to its customers information regarding the chemical constituents and bacteriological standards pursuant to 807 KAR 5:066, Section 2(1).

Recommendations

A written response should be prepared and forwarded to the Public Service Commission within 30 days of the date of receipt of this report. This response should say what has been done or what will be done to correct each noted deficiency. A starting date and a completion date should be given for actions that are to be accomplished after the date the response is mailed.

Submitted,  
September 18, 1992

  
K. Michael Newton  
Utility Investigator

CGR:KMN:aem