

On December 5, 1994, Trimble informed the Commission that it was working on a policy to bring itself into compliance with 807 KAR 5:006, Section 7(6). This regulation states, in relevant part:

Interest shall accrue on all deposits at the rate prescribed by law, beginning on the date of deposit. Interest accrued shall be refunded to the customer or credited to the customer's bill on an annual basis, except that a utility shall not be required to refund or credit interest on deposits if the customer's bill is delinquent on the anniversary of the deposit date.

As Trimble has not notified the Commission whether it has brought itself into compliance with 807 KAR 5:006, Section 7(6), its continued failure to comply with this regulation is assumed.

Also on December 5, 1994, Trimble requested a deviation from 807 KAR 5:066, Section 4(4), which states:

The minimum storage capacity for systems shall be equal to the average daily consumption.

This request was docketed by the Commission as Case No. 94-492.¹ In order to obtain the information necessary to consider such a request, Commission Staff forwarded an application for such a deviation to Trimble on December 28, 1994.

Despite reminder letters of March 16, 1995, and May 9, 1995, in addition to telephone calls, the Commission never received the completed application from Trimble. Without the information contained in the application, Trimble's request for a deviation from 807 KAR 5:066, Section 4(4), could not be considered, and Case No. 94-492 was dismissed.

¹ Case No. 94-492, The Application of Trimble County Water District No. 1 For a Deviation From 807 KAR 5:066, Section 4(4).

Having reviewed the Commission Staff's inspection report, and absent any attempt by Trimble to notify the Commission that it is now in compliance with 807 KAR 5:006, Section 7(6), or to pursue a deviation from 807 KAR 5:066, Section 4(4), the Commission finds that a prima facie showing has been made that Trimble 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. Trimble shall appear before the Commission on July 25, 1995, at 10:00 a.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, Section 7(6), and 807 KAR 5:066, Section 4(4), and of showing cause why it should not be subject to the penalties prescribed in KRS 278.990(1) for these alleged violations.

2. Trimble 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.

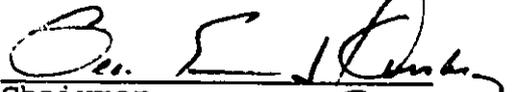
3. The Utility Inspection Report of June 8, 1994, which is appended hereto, is made part of the record of this proceeding.

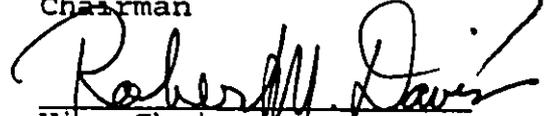
4. Any motion requesting an informal conference with Commission Staff to consider the simplification of issues or any other matters which may aid in the handling or disposition of this proceeding shall be filed with the Commission no later than 20 days from the date of this Order. Trimble may also file, within 20 days

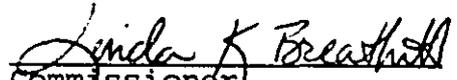
of the date of this Order, the completed application for a deviation from 807 KAR 5:066, Section 4(4).

Done at Frankfort, Kentucky, this 29th day of June, 1995.

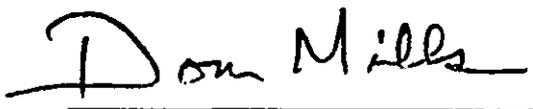
PUBLIC SERVICE COMMISSION


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ATTEST:


Executive Director

Commonwealth of Kentucky
Public Service Commission

UTILITY INSPECTION REPORT

Trimble County Water District #1
Bedford, 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 May 31, 1994. The utility consists of a treatment plant facility and distribution system operating in Trimble County, Kentucky. It has approximately 961 customers on its system. The utility representative providing information and assistance during this inspection was Carolyn Frost, manager of the District.

The District'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 refunding to the customer or crediting to the customer's bill all interest accrued on deposits on an annual basis as required by 807 KAR 5:006 Sec.7(6).

2. The utility is not making readily available to its customers information about method of reading meters as required by 807 KAR 5:066 Sec.2(3).
3. The utility's minimum storage capacity for its distribution system is not equal to the average daily consumption as required by 807 KAR 5:066 Sec.4(4).
4. The utility does not provide blow-off valves on dead end lines for the purpose of flushing as required by 807 KAR 5:066 Sec.8(2).

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,
June 8, 1994


George E. Allison
Utility Investigator

Handwritten initials: KML/CS