COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CITY OF PIKEVILLE, KENTUCKY)
COMPLAINANT)
ν,) CASE NO. 95-296
MOUNTAIN WATER DISTRICT)
DEFENDANT	<i>)</i>

<u>O R D E R</u>

IT IS ORDERED that Mountain Water District ("Mountain") and Pikeville Municipal Water Utility ("Pikeville") shall file the original and 12 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. Mountain and Pikeville 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.

Questions for Mountain Water District

1. Has Mountain constructed the one million gallon water storage tank and 16-inch transmission main referred to in Attachment A of its letter of March 15, 1991 to the city manager of Pikeville? If yes, explain how the construction would reduce allocation factors used to allocate costs to Mountain.

2. Has Mountain conducted a cost-of-service study to address the concerns set out in Appendix A of the March 15, 1991 letter to the city manager of Pikeville? If yes, file the study. 3. Does Mountain accept as accurate the financial information used to determine the rates charged by Pikeville? If no, specifically identify the information with which it disagrees and explain the basis for its concerns.

4. Provide the number of gallons purchased each year from Pikeville from July 1, 1991 to present.

Does Mountain desire to increase its contract limit from
1.5 MGD? If yes, explain.

Ouestions for Pikeville Municipal Water Utility

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Provide Mountain's annual purchases from Pikeville from
July 1, 1991 to present.

7. Does Pikeville own and maintain all master meters used to serve Mountain? Are there meters other than those set out on Exhibit A, page 1 of 4 of the Memorandum of Agreement?

8. Provide information regarding benefits Mountain will receive from the capital improvements allocated to it for booster pumps (\$7,224) and for storage tanks (\$5,269).

9. Refer to Mountain's cost analysis, page 5. Do you agree with the inch-mile data set out in Table 1? Explain.

10. Provide the average daily production for the water treatment plant.

11. Provide the number of gallons considered to be plant use.

12. Provide the number of gallons classified as line loss.

13. Provide a copy of the January 19, 1990 report of Summitt Engineering referred to in Exhibit E of Pikeville's application.

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14. Explain in detail how debt service was allocated to Mountain.

15. Since Mountain has a contract limit of 1.5 MGD, should Pikeville use this amount instead of the 2.25 MGD currently allocated to Mountain?

Done at Frankfort, Kentucky, this 2nd day of October, 1995.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

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Executive Director