COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

WEST MCCRACKEN COUNTY WATER DISTRICT)
APPLICATION FOR (1) GENERAL RATE DECREASE) CASE NO. 95-588
(2) REFUND TO CUSTOMERS)

ORDER

On January 31, 1996, West McCracken County Water District ("West McCracken") filed an application with the Commission seeking to decrease rates approved by the Commission in Case No. 94-450.¹ West McCracken provided no effective date for the decrease. On May 14, 1996, West McCracken's attorney filed a notice of the entry of his appearance and a notice to the Commission of West McCracken's intent to place its proposed rates into effect on July 1, 1996.

KRS 278.190(2) authorizes the Commission to suspend the operation of any proposed rate schedule for up to five months beyond the time the rate schedule would go into effect. KRS 278.190(3) provides that the Commission shall decide the matter within 10 months after the filing of the schedules. The Commission therefore must decide the case no later than November 30, 1996.

Based upon the foregoing, the Commission finds that West McCracken's rates should be suspended from the effective date of July 1, 1996 through November 30, 1996, the remainder of the statutory 10 month period. Further proceedings are necessary in this

Case No. 94-450, The Application of West McCracken County Water District for (1)
 General Rate Increase, (2) Revision of Tariffs, (3) Approval of Surcharge, and (4)
 Request for Approval of Variance on Financial Data.

case and the Commission issues below a request for supplemental information and has scheduled a public hearing on West McCracken's application.

IT IS THEREFORE ORDERED that:

- 1. The proposed rates are hereby suspended pursuant to KRS 278.190(2) up to and including November 30, 1996.
- 2. A hearing shall be held on August 6, 1996, at 10:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.
- 3. West McCracken shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, the applicant shall forward a duplicate of the notice and request to the Commission.
- 4. West McCracken shall respond to the following by no later than 14 days after the date of this Order:
 - 1. Refer to West McCracken's response to Item 21 of the April 18, 1996 information order. Provide an amortization schedule showing the quarterly principal and interest payments required to retire the debt at Peoples First Bank. Are any additional draws expected to be made or is \$141,000 the total amount borrowed?
 - 2. Refer to attachment 27 of West McCracken's response to information request order of February 20, 1996. Some customers are listed three times such as "Pool, Wanda" on page 17.
 - a. Explain the reason for the duplicate customer listing with identical usage for each month.

- b. Are these customers billed through one meter?
- c. Explain the reason for duplicate customer listing with varying usage amounts.
 - d. How are all of these duplicate customers billed?
- 5. West McCracken shall, on or before July 31, 1996, file its witness list and any exhibits that it plans to use at the hearing which are not already part of the record.

Done at Frankfort, Kentucky, this 20th day of June, 1996.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

Executive Director