COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF KENTUCKY TURNPIKE)WATER DISTRICT TO REVISE ITS TARIFF TO)ASSESS AN IMPACT FEE TO APPLICANTS)LOCATED IN THE BEECH GROVE ROAD AREA)

CASE NO. 96-247

<u>ORDER</u>

IT IS ORDERED that Kentucky Turnpike Water District ("Kentucky Turnpike") shall file an original and 10 copies (2 copies of engineering-related materials) of the following information with the Commission, with a copy to all parties of record within 21 days from the date of this Order. Kentucky Turnpike shall furnish with each response the name of the witness who will be available at the public hearing, if one is held, for responding to guestions concerning each item of information requested.

1. Provide a map showing the boundary of the area affected by the "Impact Fee."

2. Provide maps of those new developments proposed to be served by or through the proposed upgrades.

3. Provide a narrative describing any and all assumptions used to arrive at the projection of 1,000 new customers. In addition, provide statistics on how many of the projected customers may connect to extensions and not pay the "Impact Fee."

4. The information provided by Derrick Engineering, Inc. states that the line upgrades are needed to serve an additional 1,000 new customers. Provide details on

the capacity of the proposed upgrade since some of the new customers will be connected to main extensions and are additional customers above the 1,000 needed to finance this project.

5. Provide a map showing the location for the proposed upgrades.

6. Provide a definition of what Kentucky Turnpike calls a developer or a builder of a residence. The proposed tariff does not define these entities, but they are mentioned in the letter from John Wooldridge dated June 14, 1996.

7. Provide anticipated dates for the following events:

a. The beginning of construction of the upgrades.

b. The completion of construction of the upgrades.

c. The first developer ties in and pays an "Impact Fee."

8. Provide the number of new customers in the impact area which will benefit from the upgrades if no development occurs or few "Impact Fees" are collected.

9. The construction cost estimate provided by Derrick Engineering, Inc. does not include any finance charges. Provide a complete cost breakdown for the life of the project. This breakdown should include all sources of funds necessary at each stage of the project.

10. Identify the source for funding the upgrades construction project. Although Kentucky Turnpike proposes to recover the cost through the "Impact Fee," the "Impact Fee" will not be available for the initial construction.

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Done at Frankfort, Kentucky, this 19th day of September, 1996.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

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Executive Director