

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE OPERATIONS AND)
MANAGEMENT OF MOUNTAIN WATER DISTRICT) CASE NO. 96-126

O R D E R

IT IS ORDERED that Mountain Water District ("Mountain") shall file the original and 10 copies of the following information with the Commission no later than 20 days from the date of this Order.

1. Refer to the 1995 Annual Report:
 - a. Who provided the information to be used in preparing the report?
 - b. Were the number of gallons sold shown on page 33 of the report obtained from Mountain's customer usage records on the computer?
 - c. Provide a breakdown of miscellaneous service revenues and other water revenues shown on page 29.
2. In Case No. 94-434¹ the Commission approved an application of Potter Water Service ("Potter") for authority to abandon and transfer all its residential customers to Mountain.
 - a. Have the former customers of Potter transferred their service to Mountain?
 - b. How many customers will Mountain add as a result of the transfer?

¹ Case No. 94-434, Joint Application of Potter Water Service and Mountain Water District for the Transfer of Residential Water Service.

c. Provide any customer usage information that can be obtained for the test year for all former Potter customers Mountain will add.

3. Refer to Mountain's current tariff setting out a special service sprinkler system or fire service connection rate of \$12.50 for a 4-Inch Connection.

a. Why is Phelps High School (Account No. [REDACTED]) billed a flat rate of \$3.35 per 1,000 gallons for fire protection?

b. Why is Wayne Long (Account No. [REDACTED]) charged \$13.50 per month for fire protection?

c. Explain why the following accounts are charged \$12.00 per month for fire protection.

- CSX Transport [REDACTED]
- CH&H Realty [REDACTED]

4. Rate Code 50 shows that Martin County Water District No. 2 ("Martin County") is charged a rate of \$1.91 per 1,000 gallons.

a. Is Martin County also known as Nolin Public Service District?

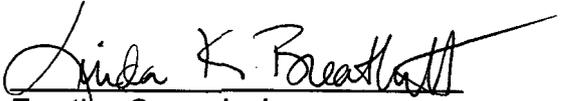
b. If so, why are they charged a rate of \$1.91 when the wholesale rate in the tariff is shown as \$1.87 per 1,000 gallons?

5. Provide a copy of the contract with South Williamson Development Company wherein Mountain collects Mall charges as set out in Mountain's tariff. Explain fully the circumstances which led to this arrangement.

6. Mountain currently has a sewer expansion project in the planning stages. Provide any available information, including a list of account numbers, for all customers who will receive sewer service.

Done at Frankfort, Kentucky, this 12th day of February, 1997.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director