

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NORTH MARSHALL WATER DISTRICT S)
PROPOSED RULES FOR WATER MAIN) CASE NO. 99-050
EXTENSIONS TO REAL ESTATE SUBDIVISIONS)

ORDER

IT IS ORDERED that North Marshall Water District ("North Marshall") shall file the original and 8 copies of the following information with the Commission within 20 days of this Order, with a copy to all parties of record. Each copy of the information requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this Order.

1. Refer to North Marshall's Response to the Commission's Order of April 28, 1999, Item 2.

a. What are North Marshall's minimum district specifications for water line installations ?

b. (1) Is the requirement that a developer obtain more than one bid set forth in North Marshall's filed rate schedules?

(2) If no, where is this requirement set forth?

(3) How long has North Marshall required a subdivision developer to obtain two or more bids on a proposed water line extension as a condition to the extension?

c. Does North Marshall have a standard contract for subdivision water main extensions? If yes, provide the contract.

d. (1) What policy, if any, does North Marshall have regarding the placement and number of fire hydrants on a proposed water main extension?

(2) If North Marshall has such a policy, is this policy set forth in North Marshall's filed rate schedules? If no, why not?

(3) If North Marshall does not have a policy regarding the placement and number of fire hydrants on a proposed water main extension, explain why not.

2. Why has North Marshall not proposed additional controls or requirements upon water main extensions if it believes that its existing controls are inadequate?

3. In its response to the Commission's Order of April 28, 1999, Item 2, North Marshall states the controls that it currently exerts on the costs of water main extensions to subdivision developers are inadequate and that it exerts the same controls on the costs of water main extensions to non-subdivision developers.

a. Are the controls that North Marshall exerts on the costs of water main extensions to non-subdivision developers also inadequate? Explain.

b. If North Marshall considers its controls on the cost of water main extensions to non-subdivision developers to be inadequate, state why no changes are proposed for that type of extension.

4. What, if any, studies or analyses did North Marshall perform to determine that refunds to subdivision developers for water main extensions should be limited to \$3.00 per foot? Provide a copy of all studies and analyses performed.

5. Refer to North Marshall's Response to the Commission's Order of April 28, 1999, Item 4. For each extension listed, state its length, expected cost, and number of expected connections.

6. Refer to North Marshall's Response to the Commission's Order of April 28, 1999, Item 5(a). Would the developer of an industrial park be considered a subdivision developer under North Marshall's proposed revision? If no, would such a developer be eligible for a greater refund of water extension main costs than a subdivision developer ?

7. Why should a subdivision developer's efforts to make a profit from the development serve as the basis for limiting his refund for water main extension costs?

8. Refer to North Marshall's Response to the Commission's Order of April 28, 1999, Item 7(c).

a. What studies or analyses has North Marshall performed to reach its conclusion that [t]hose purchasing lots [from a subdivision developer] will most likely be in better financial circumstances and better prepared to pay than non-subdivision customers ? Provide these studies or analyses.

b. What studies or analyses has North Marshall performed to reach its conclusion that [n]on-subdivision customers living along county and state roads are often made up of low to middle income families ? Provide these studies or analyses.

9. Refer to North Marshall's Response to the Commission's Order of April 28, 1999, Item 8. What studies or analyses has North Marshall performed to reach its conclusion that the effect of its proposed revision would be small?

Done at Frankfort, Kentucky, this 19th day of August, 1999.

By the Commission

ATTEST:

Executive Director