

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LAUREL COUNTY WATER) CASE NO.
DISTRICT NO. 2 FOR INCREASE IN) 2009-00192
NONRECURRING CHARGES)

O R D E R

On May 26, 2009, Laurel County Water District No. 2 ("Laurel District No. 2") applied to revise its tariff sheets numbered 15, 16, and 19 and for authority to increase certain nonrecurring charges.

The Commission will require changes to certain language contained in Laurel District No. 2's proposed tariff revisions and approves the nonrecurring charges submitted under Special Charges in Laurel District No. 2's application.

The Commission will first consider the tariff sheets Laurel District No. 2 submitted to the Commission for approval of certain rules and regulations in P.S.C. No. 6, Revision Sheet No. 15, for numerical paragraph 27 titled "Complaints."

Laurel District No. 2's proposed Tariff Sheet No. 15, numerical heading 27, Complaints, directs that complaints are to be made to the operator.¹ That decision may then be appealed to the water district within 10 days of the decision of the operator. This procedure violates 807 KAR 5:006, Section 9. That regulation requires a utility to

¹ "Operator" is not defined in Laurel District No. 2's tariff, nor does the term appear anywhere else in the tariff.

be responsible for handling complaints with regard to rates or services. It is incumbent upon the utility to resolve a customer complaint by performing a prompt and complete investigation. Consequently, it is the responsibility of the utility to take all necessary steps to investigate the complaint by informing its employees or operators of the complaint, initiating investigations, and maintaining the required records of disposition of the complaint. A customer is not required to contact anyone other than the utility. The customer can file a complaint with the utility in writing or by telephone. Laurel District No. 2 must revise its tariff language regarding its customer complaint procedure.

Second, the Commission will consider the language submitted by Laurel District No. 2 as contained in P.S.C. No. 6, Revision Sheet No. 15, for numerical paragraph 28, Sale of Water. Laurel District No. 2 proposes the following language: "The customer shall not sell, donate, give or allow use of such water to any authorized or unauthorized party." The meaning of this provision is unclear. For example, the language would prohibit a customer from giving a glass of water to a guest. We believe that Laurel District No. 2 is adequately protected from unauthorized use of water by its tariff provisions for Application for Service Written Agreement and its Discontinuance of Service for Resale of Water.²

The Commission has considered the nonrecurring charges filed in the application and will approve those charges as submitted.

Having reviewed the record and otherwise being sufficiently advised, the Commission finds that:

² Laurel Co. Water District No. 2, Tariff Sheet 3, numbered paragraph 9.

1. The rules set forth in Laurel District No. 2's proposed tariff, with the exception of those listed in Finding Paragraph 3, are reasonable.

2. The following rules set forth in Laurel District No. 2's proposed tariff are unreasonable and in conflict with Commission regulations:

a. Laurel District No. 2's language contained in its proposed Tariff Sheet No. 15 for Complaints requiring a customer to first contact an operator is in violation of 807 KAR 5:006, Section 9.

b. Laurel District No. 2's language contained in its proposed Tariff Sheet No. 15 for Sale of Water, prohibiting a customer to sell, donate, give, or allow use of such water to any authorized or unauthorized party, is unreasonable.

3. If Laurel District No. 2 fails to file revised tariff sheets amending the provisions noted in Finding Paragraph 2, a review pursuant to KRS 278.260 may be conducted.

4. The proposed nonrecurring charges are equal to the expenses incurred to provide the associated services.

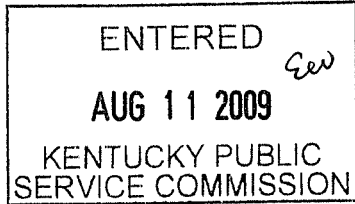
IT IS HEREBY ORDERED that:

1. Laurel District No. 2 shall file its revised tariff sheets that reflect the rates set forth in Appendix A to this Order within 20 days of the date of this Order.

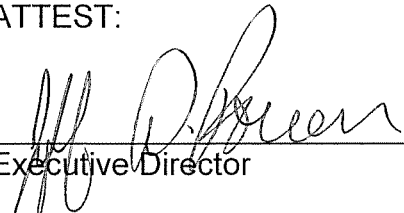
2. Within 20 days of the date of this Order, Laurel District No. 2 shall file its revised tariff sheets containing the revisions set forth in Appendix B to this Order or, in the alternative, shall show cause to the Commission in writing why the provisions identified in Finding Paragraph 2 are not unlawful or unreasonable and why the revisions listed in Appendix B to this Order should not be made.

3. The nonrecurring charges in Appendix A are approved for services rendered on and after the date of this Order.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00192 DATED **AUG 11 2009**

The following rates and charges are prescribed for the customers in the area served by Laurel County Water District No. 2. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Nonrecurring Charges

Meter Connection / Reconnection	\$50.00
After Hours Reconnection	\$75.00
Meter Test	\$25.00
Returned Check Charge	\$35.00
Additional Trip Charge	\$25.00
Connection Fee 5/8" X 3/4" Meter	\$525.00
Residential Meter Deposits 5/8" X 3/4" Meter	\$50.00
Commercial Meter Deposits 1" or larger Meter	\$150.00

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00192 DATED **AUG 11 2009**

REVISIONS TO LAUREL COUNTY WATER DISTRICT NO. 2 PROPOSED TARIFF

Strike present paragraph 27.

~~27. Complaints~~

~~Complaints may be made to the operator of the system whose decision may be appealed to the Water District's Commissioners. Such appeal shall be in writing, in person or by telephone within ten (10) days of date of decision by operator, stating the nature of the complaint and support evidence. Decisions of the Water District's Commissioners or operator may be brought before the Public Service Commission in accordance with 807 KAR 5:001, Section 11 and 12.~~

Substitute the following:

27. Customer Complaints to the Utility.

Upon complaint to the utility by a customer at the utility's office, by telephone, or in writing, the utility shall conduct a prompt and complete investigation and advise the complainant of its findings. The customer will receive a final decision from the utility no later than thirty (30) days following the date the complaint was made. If the complainant is not satisfied with the utility's decision, the utility will provide written notice to the complainant of his/her right to appeal the utility's decision by filing a complaint with the Public Service Commission. The utility will also provide the customer with the address and telephone number of the Public Service Commission. The utility will keep a record of all written complaints. This record will show the name and address of the complainant, the date and nature of the complaint, and the adjustment or disposition of the complaint. Records will be maintained for two (2) years from the date of resolution of the complaint.

Amend present paragraph 28 to read:

28. Sale of Water

Water furnished by the Water District may be used for domestic consumption by the customer's household or business, subject to special service agreements. ~~The customer shall not sell, donate, give or allow use of such water to any authorized or unauthorized party.~~ No customer is allowed to resell water except under the terms of a special contract executed by the utility and approved by the Public Service Commission.

Larry Hughes
Chairman
Laurel County Water District #2
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