

2009-00214

Madison County Utilities District

297 Michelle Dr.

P O Box 670 ♦ Richmond KY 40476-0670 ♦ 859-624-1735 ♦ Fax 859-623-8220

June 8, 2009

Executive Director
KY Public Service Commission
P O Box 615
Frankfort, KY 40602

RECEIVED
JUN 10 2009
PUBLIC SERVICE
COMMISSION

Office of the Attorney General
Rate Intervention Division
100 Perimeter Park
Frankfort, KY 40602

RE: Formal Application for Increase in Non-Recurring Charges

This is an application to revise language and certain non-recurring charges for the Madison County Utilities District. Attached are the non-recurring charge cost justifications, proposed new tariff, and customer notice.

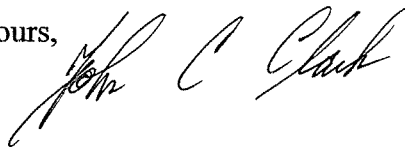
Madison County is not requesting a water rate increase at this time. However, the District is also requesting a deviation of 807 KAR5:066, Section 16, Periodic Tests of water meters in preparation for the installation of Automated Meter Reading (AMR) meters over a 5-year period. This request for a change in non-recurring charges reflects the increase cost of AMR meters vs. standard water meters we install at this time.

The District has previously filed income statements and balance sheets with the PSC. These are currently on file with the PSC.

The District will publish the enclosed public notice of these requested rates revisions in the local newspaper. An affidavit from the newspaper verifying that the notice was published for three consecutive weeks will be forwarded to you.

A copy of this application and related filings has been given to the Office of the Attorney General, 100 Perimeter Park, Frankfort, KY 40602

Very truly yours,



John C. Clark
Manager

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: Meter Reading, Recheck, Service Charge

1. Field Expense:

A. Materials (Itemize)

	\$ _____

B. Labor (Time and Wage)

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Total Field Expense	\$ _____
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2. Clerical and Office Expense

A. Supplies	\$2.00
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B. Labor	\$3.00
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Total Clerical and Office Expense	\$5.00
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3. Miscellaneous Expense

A. Transportation 40 miles @ .55	\$22.00
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B. Other (Itemize)

Total Miscellaneous Expense	\$22.00
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Total Nonrecurring Charge Expense	\$27.00
USE	\$27.00

June 4, 2009

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: Reconnection

1. Field Expense:

A. Materials (Itemize)

	\$

B. Labor (Time and Wage)

1 @ \$15.00	15.00
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Total Field Expense	\$15.00
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2. Clerical and Office Expense

A. Supplies	\$2.00
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B. Labor	\$3.00
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Total Clerical and Office Expense	\$5.00
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3. Miscellaneous Expense

A. Transportation 40 miles @ .55	\$22.00
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B. Other (Itemize)

Total Miscellaneous Expense	\$22.00
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Total Nonrecurring Charge Expense	\$42.00
USE	\$42.00

June 4, 2009

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: Reconnection – After Hours

1. Field Expense:

A. Materials (Itemize)

_____	\$ _____
_____	_____
_____	_____

B. Labor (Time and Wage)

2 @ \$20.00	40.00
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Total Field Expense	\$40.00
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2. Clerical and Office Expense

A. Supplies	\$2.00
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B. Labor	\$3.00
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Total Clerical and Office Expense	\$5.00
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3. Miscellaneous Expense

A. Transportation 40 miles @ .55	\$22.00
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B. Other (Itemize)

_____	_____
_____	_____
_____	_____

Total Miscellaneous Expense	\$22.00
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Total Nonrecurring Charge Expense	\$67.00
USE	\$67.00

June 4, 2009

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: Returned Check Charge

1. Field Expense:

A. Materials (Itemize)

_____	\$ _____
_____	_____
_____	_____

B. Labor (Time and Wage)

_____	_____
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Total Field Expense \$ _____

2. Clerical and Office Expense

A. Supplies \$2.00

B. Labor \$3.00

Total Clerical and Office Expense \$5.00

3. Miscellaneous Expense

A. Transportation

B. Other (Itemize)

Bank Charge	\$15.00
_____	_____
_____	_____

Total Miscellaneous Expense \$15.00

Total Nonrecurring Charge Expense	\$20.00
USE	\$20.00

COST JUSTIFICATION

Name of Utility: Madison County Utilities District

The following is an itemization of expenses for providing a metered service connection.

A. Meter Size

5/8 Inch

Other (specify)

B. Materials Expense

	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1. Water Meter	1	\$162.50	\$162.50
2. Meter Yoke	1	\$124.89	\$124.89
3. Corporation Stop	1	\$27.25	\$27.25
4. Meter Box and Top	1	\$81.25	\$81.25
5. Miscellaneous Fittings	1	\$30.92	\$30.92
6. Other (itemize) Saddle	1	\$41.05	\$41.05
 Total Materials Expense			 \$467.86

June 4, 2009

C. Service Pipe Expense

Type of Service Pipe	PE	Size of Service Pipe ^{3/4}	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1.		Short Side Service	15	\$..70	\$10.50
2.		Long Side Service	65	\$..70	\$45.50
3.		Long Side Service Casing	40	\$.59	\$23.60
Average Cost (Add total cost and divide by 2)					\$39.80

D. Installation Expense

		<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>	
<u>Labor</u>					
1.		Short Side Service	3	\$20.00	\$60.00
2.		Long Side Service	4	\$20.00	\$80.00
Average Cost (Add total cost and divide by 2)					\$70.00

		<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>	
<u>Equipment</u>					
1.		Short Side Service (backhoe)	3	\$50.00	\$150.00
2.		Long Side Service (backhoe)	4	\$175.00	\$700.00
Average Cost (Add total cost and divide by 2)					\$425.00

Installation Expense (continued)

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Inspection	2	\$20.00	\$40.00
2. Site Clean Up	3	\$20.00	\$60.00
3. Other (itemize) Backfill, straw, seed, etc	1	\$50.00	\$50.00
Total Miscellaneous (add total cost)			\$150.00 ✓

Rock Clause:

An additional charge shall be made for meter connections where rock is encountered. The charge shall be applied per linear trench foot and shall not exceed the actual cost of excavation.

E. Overhead Expense

1. Installation expense (350.72) x overhead rate (5%)	\$17.54 ✓
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F. Administrative Expense

1. Office expense for establishing a new account and billing record	\$10.00 ✓
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G. Total Expense

1. Total of all items:	
Materials Expense	\$467.86 ✓
Service Pipe Expense	39.80 ✓
Installation Labor Expense	70.00 ✓
Installation Equipment Expense	425.00 ✓
Miscellaenous Expense	150.00 ✓
Overhead Expense	17.54 ✓
Administrative Expense	<u>10.00 ✓</u>
Total Connection Expense	<u>\$1180.20</u>
USE	\$1180.00

Madison County Utilities District

NON-RECURRING RATES AND CHARGES

Reconnect/After Hours	\$ 67.00
Reconnect/During Hours	\$ 35.00
Meter Reading Recheck	\$ 27.00
Service Charge	\$ 27.00
Returned Check	\$ 20.00
Connection Fee 5/8 inch meter	\$1,180.00

Connection Fee-Other Size meters at actual cost

Should the Utility encounter rock during installation of service, the customer shall be charged actual cost for rock removal.

Madison County Utilities District

297 Michelle Dr.

P O Box 670 ♦ Richmond KY 40476-0670 ♦ 859-624-1735 ♦ Fax 859-623-8220

June 9, 2009

PUBLIC NOTICE

Madison County Utilities District has filed an application with the Public Service Commission to increase its non-recurring charges for water service, within 30 days from filing its application as follows:

CHARGE	Current	Proposed
Reconnection/After Hours	64.00	67.00
Reconnection/During Hours	35.00	42.00
Meter Reading Recheck	24.00	27.00
Service Charge	24.00	27.00
Returned Check Charge	20.00	20.00
Meter Test	25.00	25.00
Connection 5/8 Inch	795.00	1180.00
Connection Fee-Other Side Meters is Actual Cost		
Customer Deposit-Not to Exceed 2/12 of Estimated Annual Bill		

The rates contained in this notice are the rates proposed by Madison County Utilities District. However, the Public Service Commission may order rates to be charged that are different than the rates proposed in this notice.

Any corporation, association, body politic or person may request leave to intervene, by motion within thirty (30) days after notice of the proposed change is given. A motion to intervene shall be made in writing and submitted to the Executive Director, Public Service Commission, PO Box 615, Frankfort, Kentucky 40602, and shall set forth the grounds for the motion, including the status and interest of the part movant. Copies of the application may be obtained at no charge from the District office at Richmond, Kentucky. Customers may contact the District at 859-624-1735. Upon request from an intervenor, the District shall furnish to the intervenor a copy of the application and supporting documents.