

**CANNONSBURG WATER DISTRICT
1606 CANNONSBURG ROAD
ASHLAND, KY 41102
606-928-9808
FAX# 606-928-4788**

JULY 22, 2011

JEFF DEROUEN
EXECUTIVE DIRECTOR
PUBLIC SERVICE COMMISSION
PO BOX 615
211 SOWER BLVD.
FRANKFORT, KY 40602

RECEIVED

JUL 25 2011

PUBLIC SERVICE
COMMISSION

RE: Case No. 2011-00217
Cannonsburg Water District
(Filing Deficiencies)

Please find enclosed an original and ten copies of the corrected deficiencies that you had requested.

If you have any further questions, please let me know.

Sincerely,



Danny R. Clarkston
Manger

enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE APPLICATION OF THE CANNONISBURG)	CASE NO
WATER DISTRICT FOR (1) THE APPROVAL)	2011-00217
OF EMERGENCY RATE RELIEF AND FOR)	
(2) APPROVAL OF THE INCREASE IN)	
NON-RECURRING CHARGES)	

RESPONSE TO FILING DEFICIENCIES

Filing Deficiencies Pursuant to 807 KAR 5:011:

Section 10(1)(a): Cost justification attached. Full description of the service is also attached which also part of Cannonsburg's tariff.

Section 10(1)(c): The current nonrecurring charges do not recover the costs associated with the expenses incurred in performing the various services. If the nonrecurring charges are not adequate then the customers who do not cause the costs to be incurred will have to pay a portion of the expense which is unfair to them. This is why the charges should be increased in this case and not be deferred until a later case.

Section 10(2) The additional revenue will not exceed five percent of the total revenue provided by all miscellaneous and nonrecurring charges for a recent 12 month period.

Filing Deficiencies Pursuant to 807 KAR 5:001

Section 10(4) A complete copy of the public notice has been sent to the Commission under separate cover.

Section 10(6)(b)and(c): Cannonsburg requests a deviation from this regulation.

Section 10(6)(e), Section 10(3)(a), Section 10(3)(c):

5/8 Inch Connection – Average Usage is 4,000 gallons

Bill will increase from \$29.64 to \$32.54 an increase of \$2.90 or 10%

1 and 1 ½ Inch Connections – Average Usage is 15,000 gallons

Bill will increase from \$95.80 to \$105.01 an increase of \$9.21 or 10 percent.

2 and 3 Inch Connections – Average Usage is 75,000 gallons

Bill will increase from \$424.45 to \$465.21 an increase of \$40.76 or 10 percent.

6 Inch Connection – Average Usage is 970,000

Bills will increase from \$4,821.16 to \$5,244.00 an increase of \$423.27 or 9%.

12 Inch Connection – Average Usage is 135,258

Bill will increase from \$788.66 to \$862.25 an increase of \$73.59 or 9 percent.

Section 10(7)(d): Cannonsburg does not have any additional operating information that was not submitted with its application. It requests a deviation from this regulation insofar as no additional records are available.

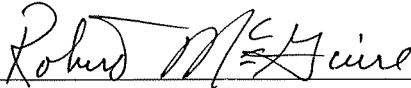
COMMONWEALTH OF KENTUCKY)

)SS

COUNTY OF BOYD)

The undersigned, Robert M. McGuire, being duly sworn, deposes and states he is the Chairman of the Cannonsburg Water District, Applicant, in the above proceedings; that he has read the foregoing Application and has noted the contents thereof; that the same is true of his own knowledge, except as to matters which are there stated on information or belief, and as to those matters, he believes same to be true.


IN TESTIMONY WHEREOF, witness the signature of the undersigned on this July 22, 2011.



Robert M. McGuire, Chairman
Cannonsburg Water District

Subscribed and sworn to before me by Robert M. McGuire, Chairman of the Cannonsburg Water District, on July 22, 2011.

My Commission Expires 01-23-12



Notary Public
In and for said county and state

FOR Ashland, Boyd County, Kentucky

PSC KY NO. 2

1st. Revised SHEET NO. 9

Cannonsburg Water District
(NAME OF UTILITY)

CANCELLING PSC KY NO. 1

Original SHEET NO. 9

5/8 Inch Connection

First	2,000 Gallons	\$18.60	Minimum Bill
Next	3,000 Gallons	6.97	Per 1,000 Gallons
Next	15,000 Gallons	6.55	Per 1,000 Gallons
Next	30,000 Gallons	6.14	Per 1,000 Gallons
Next	50,000 Gallons	5.73	Per 1,000 Gallons
Over	100,000 Gallons	5.25	Per 1,000 Gallons

1 and 1 ½ Inch Connections

First	5,000 Gallons	\$39.51	Minimum Bill
Next	15,000 Gallons	6.55	Per 1,000 Gallons
Next	30,000 Gallons	6.14	Per 1,000 Gallons
Next	50,000 Gallons	5.73	Per 1,000 Gallons
Over	100,000 Gallons	5.25	Per 1,000 Gallons

2 and 3 Inch Connections

Next	20,000 Gallons	\$137.76	Minimum Bill
Next	30,000 Gallons	6.14	Per 1,000 Gallons
Next	50,000 Gallons	5.73	Per 1,000 Gallons
Over	100,000 Gallons	5.25	Per 1,000 Gallons

6 Inch Connection

Next	50,000 Gallons	\$321.96	Minimum Bill
Next	50,000 Gallons	5.73	Per 1,000 Gallons
Over	100,000 Gallons	5.25	Per 1,000 Gallons

12 Inch Connection

Next	100,000 Gallons	\$608.46	Minimum Bill
Over	100,000 Gallons	5.25	Per 1,000 Gallons

DATE OF ISSUE 7/22/11
MONTH / DATE / YEAR

DATE EFFECTIVE 8/22/11
MONTH / DATE / YEAR

ISSUED BY Robert McHale
SIGNATURE OF OFFICER

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

FOR Ashland, Boyd County, Kentucky

PSC KY NO. 2

1st. Revised SHEET NO. 9

CANCELLING PSC KY NO. 1

Original SHEET NO. 9

Cannonsburg Water District
(NAME OF UTILITY)

E. Purchased Water Rates

City of Ashland	\$2.12 per 1,000 Gallons
Big Sandy W.D.	2.44 per 1,000 Gallons

F. Wholesale Water Rates

Big Sandy W.D.	\$2.82 per 1,000 Gallons
City of Greenup	2.82 per 1,000 Gallons

G. Leak Adjustment Rate	\$2.75 per 1,000 Gallons
-------------------------	--------------------------

DATE OF ISSUE 7/22/2011
MONTH / DATE / YEAR

DATE EFFECTIVE 8/22/11
MONTH / DATE / YEAR

ISSUED BY Robert McGee
SIGNATURE OF OFFICER

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. 19

CANCELLING P.S.C. KY. NO.

SHEET NO.

Cannonsburg Water District
(Name of Utility)

RULES AND REGULATIONS

incurred, including but not limited to appropriate legal, administrative, engineering, overhead, or other related costs.

- e) Meter Re-read Charge: Will be assessed when a customer requests the utility to re-read the customer's meter and the re-read proves that the original meter reading was correct.
- f) Meter Test Charge: Will be assessed when a customer requests the utility perform a test on the customer's meter to check for accuracy, and the test shows the customer's meter is not more than two percent (2%) fast.
- g) Reconnection Charge: Will be assessed to reconnect service that has been terminated for non-payment of service or for violation of Utility or Public Service Commission rules and regulations, and will include the cost of the service trip for both the disconnection and the reconnection.
- h) Returned Check Charge: Will be assessed when a customer's check is returned, either due to insufficient funds or other reason due to customer fault.
- i) Service Call/Investigation Charge: Will be assessed when a customer requests the onsite presence of utility personnel to investigate a service problem and the problem is a result of the customer's own plumbing facilities, beyond the utility's delivery point, or not caused by failure of utility facilities. Any maintenance and repair of facilities beyond the utility's delivery point is the responsibility of the customer.
- j) Service Line Inspection Charge: Will be assessed to inspect a customer's service line from the point of delivery at the meter service to the point of usage. The service line inspection charge will be waived if confirmation is received from the Kentucky State Plumbing Inspector that a state plumbing

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY James E. Padgett
(Signature of Officer)

TITLE Treasurer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

OCT 17 2003

PURSUANT TO 807 KAR 5:011
SECTION 9(1)

BY Charles L. Dean
EXECUTIVE DIRECTOR

Cannonsburg Water District
(Name of Utility)

RULES AND REGULATIONS

E. Special Non-recurring Charges:

1. The utility will collect for special nonrecurring charges to recover customer-specific costs incurred which would otherwise result in monetary loss to the utility or increased rates to other customers to whom no benefits accrue from the service provided or action taken. The utility may establish or change any special nonrecurring charge by applying for Public Service Commission approval of such charge in accordance with the provisions of 807 KAR 5:011, Section 10.
2. Special nonrecurring charges will be applied uniformly throughout the area served by the utility. Such charges will relate directly to the service performed or action taken and only yield enough revenue to pay the expenses incurred in rendering the service.
3. The utility will assess a charge for the following non-recurring services:
 - a) Connection/Turn-on Charge: Will be assessed for new service turn-ons, seasonal turn-ons, temporary service, or transfer of service. The charge will not be made for initial installation of service where a meter connection/tap-on charge is applicable.
 - b) Field Collection Charge: Will be assessed when a utility representative visits the premises of the service connection to terminate service, and the customer is on-site and pays the bill to avoid termination of service. This fee may only be charged once per billing period.
 - c) Late Payment Penalty: Will be assessed on the delinquent amount of the bill, less taxes.
 - d) Meter Relocation Charge: Will be assessed when a customer or other authorized person requests that a meter be relocated, changed, or modified. Those requesting a change must reimburse the utility for the actual costs

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY *James E. ...*
(Signature of Officer)

TITLE Treasurer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

OCT 17 2003

PURSUANT TO 807 KAR 5.011
SECTION 9(1)

BY *James H. ...*
EXECUTIVE DIRECTOR

NON RECURRING CHARGE COST JUSTIFICATION

Type of Charge: CONNECTION/TURN ON CHARGE – DURING WORKING HOURS

1. Field Expense:

A. Materials (itemize) \$ _____

B. LABOR (Time and Wage)
1 person – 30 minutes \$ 15.00

Total Field Expense \$ **15.00**

2. Clerical and Office Expense

A. Supplies \$ 1.00

B. Labor \$ 4.00

Total Clerical and Office Expense \$ **5.00**

3. Miscellaneous Expense

A. Transportation \$ 20.00

C. Other (itemize) \$ _____

Total Miscellaneous Expense \$ **20.00**

Total Nonrecurring Charge Expense \$ **40.00**

NON RECURRING CHARGE COST JUSTIFICATION

Type of Charge: METER RE-RECHARGE – DURING WORKING HOURS

1. Field Expense:

A. Materials (itemize) \$ _____

B. LABOR (Time and Wage)
1 person – 30 minutes \$ 15.00

Total Field Expense \$ **15.00**

2. Clerical and Office Expense

A. Supplies \$ 1.00

B. Labor \$ 4.00

Total Clerical and Office Expense \$ **5.00**

3. Miscellaneous Expense

A. Transportation \$ 20.00

C. Other (itemize) \$ _____

Total Miscellaneous Expense \$ **20.00**

Total Nonrecurring Charge Expense \$ **40.00**

NON RECURRING CHARGE COST JUSTIFICATION

Type of Charge: RE-CONNECTION CHARGE – DURING WORKING HOURS

1. Field Expense:

A. Materials (itemize) \$ _____

B. LABOR (Time and Wage)
1person – 30 minutes \$ 15.00

Total Field Expense \$ **15.00**

2. Clerical and Office Expense

A. Supplies \$ 1.00

B. Labor \$ 4.00

Total Clerical and Office Expense \$ **5.00**

3. Miscellaneous Expense

A. Transportation \$ 20.00

C. Other (itemize) \$ _____

Total Miscellaneous Expense \$ **20.00**

Total Nonrecurring Charge Expense \$ **40.00**

NON RECURRING CHARGE COST JUSTIFICATION

Type of Charge: SERVICE CALL/INVESTIGATION CHARGE (DURING WORKING HOURS)

1.	Field Expense:		
	A.	Materials (itemize)	\$ _____
	B.	LABOR (Time and Wage) <u>1person – 30 minutes</u>	\$ <u>15.00</u>
		Total Field Expense	\$ <u>15.00</u>
2.	Clerical and Office Expense		
	A.	Supplies	\$ <u>1.00</u>
	B.	Labor	\$ <u>4.00</u>
		Total Clerical and Office Expense	\$ <u>5.00</u>
3.	Miscellaneous Expense		
	A.	Transportation	\$ <u>20.00</u>
	C.	Other (itemize)	\$ _____
		Total Miscellaneous Expense	\$ <u>20.00</u>
		Total Nonrecurring Charge Expense	\$ <u>40.00</u>

NON RECURRING CHARGE COST JUSTIFICATION

Type of Charge: CONNECTION/TURON ON CHARGE (AFTER WORKING HOURS)

1. Field Expense:

A. Materials (itemize) \$ _____

B. LABOR (Time and Wage)
1 Hour @ \$50.00/hr \$ 50.00

Total Field Expense \$ **50.00**

2. Clerical and Office Expense

A. Supplies \$ 1.00

B. Labor \$ 4.00

Total Clerical and Office Expense \$ **5.00**

3. Miscellaneous Expense

A. Transportation \$ 20.00

C. Other (itemize) \$ _____

Total Miscellaneous Expense \$ **20.00**

Total Nonrecurring Charge Expense \$ **75.00**

NON RECURRING CHARGE COST JUSTIFICATION

Type of Charge: METER RE-READ CHARGE (AFTER WORKING HOURS)

1. Field Expense:

A. Materials (itemize) \$ _____

B. LABOR (Time and Wage)
1 Hour @ \$50.00/hr \$ 50.00

Total Field Expense \$ **50.00**

2. Clerical and Office Expense

A. Supplies \$ 1.00

B. Labor \$ 4.00

Total Clerical and Office Expense \$ **5.00**

3. Miscellaneous Expense

A. Transportation \$ 20.00

C. Other (itemize) \$ _____

Total Miscellaneous Expense \$ **20.00**

Total Nonrecurring Charge Expense \$ **75.00**

NON RECURRING CHARGE COST JUSTIFICATION

Type of Charge: RE-CONNECTION CHARGE (AFTER WORKING HOURS)

1. Field Expense:

A. Materials (itemize) \$ _____

B. LABOR (Time and Wage)
1 Hour @ \$50.00/hr \$ 50.00

Total Field Expense \$ **50.00**

2. Clerical and Office Expense

A. Supplies \$ 1.00

B. Labor \$ 4.00

Total Clerical and Office Expense \$ **5.00**

3. Miscellaneous Expense

A. Transportation \$ 20.00

C. Other (itemize) \$ _____

Total Miscellaneous Expense \$ **20.00**

Total Nonrecurring Charge Expense \$ **75.00**

NON RECURRING CHARGE COST JUSTIFICATION

Type of Charge: SERVICE CALL/INVESTIGATION CHARGE (AFTER WORKING HOURS)

1. Field Expense:

A. Materials (itemize) \$ _____

B. LABOR (Time and Wage)
1 Hour @ \$50.00/hr \$ 50.00

Total Field Expense \$ **50.00**

2. Clerical and Office Expense

A. Supplies \$ 1.00

B. Labor \$ 4.00

Total Clerical and Office Expense \$ **5.00**

3. Miscellaneous Expense

A. Transportation \$ 20.00

C. Other (itemize) \$ _____

Total Miscellaneous Expense \$ **20.00**

Total Nonrecurring Charge Expense \$ **75.00**