

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|                                  |   |            |
|----------------------------------|---|------------|
| WILLIAM C. HILL                  | ) |            |
|                                  | ) |            |
| COMPLAINANT                      | ) | CASE NO.   |
|                                  | ) | 2017-00316 |
| V.                               | ) |            |
|                                  | ) |            |
| MUHLENBERG COUNTY WATER DISTRICT | ) |            |
|                                  | ) |            |
| DEFENDANT                        | ) |            |

ORDER TO SATISFY OR ANSWER

Muhlenberg County Water District (“Muhlenberg District”) was notified on September 14, 2017, that it had been named as defendant in a formal complaint (“Complaint”) filed on July 20, 2017, a copy of which is attached hereto. The Complaint, filed by William C. Hill, alleges that Muhlenberg District is charging him a higher monthly rate per gallon of water; is charging him to purchase a minimum of 20,000 gallons of water each month; and is requiring him to purchase 47 water meters, despite his having only one house on his property at Forest Hill Road, Lewisburg, Kentucky. Mr. Hill asks for relief from any charges that are not fair, just, and reasonable, and requests that the Commission require Muhlenberg District to file an answer to the Complaint. By Commission Order of September 14, 2017, Mr. Hill was ordered to provide a clearer statement of the relief sought in this matter. Mr. Hill filed a Response to Order on September 27, 2017.

Based on a review of the Complaint and Mr. Hill's Response to Commission's Order of September 14, 2017, and being otherwise sufficiently advised, the Commission finds that there is now sufficient information to determine whether Mr. Hill has presented a *prima facie* case.

Pursuant to 807 KAR 5:001, Section 20, Muhlenberg District is HEREBY ORDERED to satisfy the matters complained of or file a written answer to the complaint within ten days from the date of service of this Order.

Should documents of any kind be filed with the Commission in the course of this proceeding, the documents shall also be served on all parties of record.

By the Commission



ATTEST:

  
Executive Director

**William C. Hill**  
**Consulting Engineer, Retired**  
**900 Malone Farm Lane**  
**Belton, KY 42324**

RECEIVED

July 21, 2017

JUL 26 2017

Public Service  
Commission

Rosemary Tutt, Manager  
Consumer Services Branch  
Public Service Commissioner  
Frankfort, Kentucky 40602

Dear Ms. Tutt:

Enclosed are three copies of Complaint against the Muhlenberg County Water District. Please contact me with any questions.

Sincerely,



William C. Hill  
Professional Engineer, Retired

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:

William C Hill  
(Your Full Name)  
COMPLAINANT

VS.

Muhlenberg County Water District  
(Name of Utility)  
DEFENDANT

RECEIVED

JUL 26 2017

Public Service  
Commission

COMPLAINT

The complaint of William C Hill respectfully shows:  
(Your Full Name)

(a) William C Hill  
(Your Full Name)

900 Malone Farm Ln, Belton, Ky 42324  
(Your Address)

(b) Muhlenberg County Water District  
(Name of Utility)

P.O. Box 348, Greenville, Ky 42324  
(Address of Utility)

(c) That: Please see attachment  
(Describe here, attaching additional sheets if necessary,

the specific act, fully and clearly, or facts that are the reason

and basis for the complaint.)

Continued on Next Page

Formal Complaint

William C. Hill vs. Muhlenberg Co Water District

Page 2 of 2

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Wherefore, complainant asks Please see attachment  
(Specifically state the relief desired.)

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Dated at Greenville, Kentucky, this 18<sup>th</sup> day  
(Your City)

of July, 2017.  
(Month)

William C Hill  
(Your Signature\*)

\_\_\_\_\_  
(Name and address of attorney, if any)

July 17, 2017  
Date

\*Complaints by corporations or associations, or any other organization having the right to file a complaint, must be signed by its attorney and show his post office address. No oral or unsigned complaints will be entertained or acted upon by the Commission.

## **William C. Hill vs. Muhlenberg County Water District**

### **Complaint:**

The Muhlenberg County Water District, by their letter (attached) to the Public Service Commission dated 8-25-2016, agreed to furnish water to my property. However, they have three conditions that I oppose and am hereby appealing:

- 1) They propose to charge me a higher monthly rate than any other resident of Muhlenberg County,
- 2) They propose that I pay for 47 water meters up front even though I am paying for the entire cost of the construction of the water line; and
- 3) They propose to charge a minimum of 20,000 gallons per month even though I will initially will have only one house on the line and likely will use approximately 2000 gallons per month.

## **William C. Hill vs. Muhlenberg County Water District**

### **Remedy:**

- 1) The Rules and Regulations as applies to Rates and Charges for Muhlenberg County as approved by the Public Service Commission sets the rates for 5/8 x 3/4 inch meters, the standard meter used for residential houses. These rates were approved and became effective on March 17, 2013. A copy is attached. These are the rates I should be charged.
- 2) This proposed water line will be the sixth that I have constructed, paid for, and turned over to the Muhlenberg County Water District. I have never paid for any water meters up front, and do not wish to now. The Rules and Regulations for New Water Connections were approved and became effective May, 21, 2008. A copy is attached. There are no requirements to pay for meters upfront and I request that I not be forced to do so.
- 3) I contend that I should be charged for the amount of water that I use, not the minimum of 20,000 gallons per month stipulated in the letter from the Muhlenberg County Water District. This is an issue because of my geographical location. The water that I need must come from the Todd County Water District. Todd County Water District has a contractual agreement to sell water to the Muhlenberg County Water District. Since I am being required to personally pay for the installation of the master meter, I feel that Todd County need only charge for the water that is actually used. I believe this to be in accord with contract between the two water districts.

### **Discussion:**

I own one (1) house on my 100 acre property. I very much need to connect this house to the public water system. It is currently served by a private water well and the water has a very high concentration of iron. I will gradually sell other lots and the new owners will also be needing water service.

My property is located on the south side of Lake Malone and Muhlenberg County Water District does not have water lines in this area. However, Todd County Water District does have a 3" line nearby and has agreed to place a master water meter at the end of said line and sell water to Muhlenberg County. I, as the developer, will be required to pay for the master meter and the new 3" water line to reach my property. This agreement was worked out in 2013. At the request of both water districts, I hired McGhee Engineering to produce the plans for my water line. This was done in 2013 at a cost to me of \$1800.

I then went to a scheduled meeting of the Muhlenberg County Water District and requested approval for my water line extension, stating I would personally be responsible for all costs of constructing said line. My request was denied. Approximately two years later I met with the new superintendent, Craig Porter. He was encouraging. However, he subsequently said that the project could not be approved because my property was not on a public road, notwithstanding the existence of legally recorded utility easements. They later reversed the policy and by letter to the Public Service Commission (8-25-2016) they agreed to provide water service, but with the stipulations that are the basis of this Complaint.

Rosewood

Creek

WILLIAM HILL

HOUSE

PROPOSED 3" LINE

PROPOSED MASTER METER

EXISTING 3" LINE

MUHLENEBERG COUNTY  
TODD COUNTY

ROSEWOOD USGS QUAD.

1" = 2000'

em

Jason

Al Vornat Co.

2006

Spring

Sulphur

Oil We

Sulph





*Muhlenberg County Water District*

P.O. Box 348  
Greenville, KY 42345

August 25, 2016

Public Service Commission  
211 Sower Blvd.  
Frankfort, KY 40601

**Re: Muhlenberg County Water District- Falling Water Cove Subdivision**

To Whom It May Concern:

The Muhlenberg County Water District has been approached as has the Public Service Commission relative to water service to Falling Water Cove subdivision situated in Muhlenberg County but in a location where the Muhlenberg County Water District does not have potable water available. Currently the Muhlenberg County Water District for other services in that area is supplying water provided by the Todd County Water District pursuant to an inter-local agreement between the Todd County Water District and the Muhlenberg County Water District.

The Muhlenberg County Water District has had a prior situation similar to the current one and the developer of that subdivision installed at its' own expense the water line in accordance with Muhlenberg County Water District's specifications. It paid for 75 water meters to be installed along the line with the ultimate consumer paying for the \$50.00 deposit on their service for a meter to be set.

The Muhlenberg County Water District agrees to provide to the developer of Falling Water Cove, and the subsequent property owners who buy lots within that subdivision, potable water which will be supplied by the Todd County Water District. The Todd County Water District currently supplies water to Muhlenberg County for other houses in that area.

The water shall be supplied to the subdivision in a three inch water line to serve 47 lots in the Falling Water Cove subdivision, located on the South side of Lake Malone near the Muhlenberg County and Todd County lines.

As a condition of doing so, the developer for Falling Water Cove shall pay up front the cost for 47 water bases for the meters ultimately to be installed for each residence that may be developed on the property. Forty-seven is the number of lots in the subdivision. Lines will be connected to a three inch water main which will be paid for entirely by the developer in accordance with specifications of the Muhlenberg County Water District. The developer will pay \$570.00 per lot for each service under the current approved rates which is \$570.00 per service totaling \$26,790.00. It shall be paid upon approval of this proposal to the Public Service Commission.

Services to a particular lot will not be established until there is construction underway on the property and the Muhlenberg County Water District is notified of such.


All 47 water services will have to be installed within a period of 12 years. After 12 years any lot that is not built upon will no longer have the benefit of the pre-paid services. This Muhlenberg County Water District believes 12 years is a reasonable period of time for the 47 homes to be constructed. There would be no refund of any deposits for the meter services on undeveloped lots after 12 years.

Any property owner who purchases a lot in the following Falling Water Cove subdivision would pay a \$50.00 deposit on their service for a meter to be set in accordance with current policy and tariffs.

As noted above, the developer shall install at its expense the three inch water line in accordance with the Muhlenberg County Water District which will have the right of inspection at all times. The water line shall be run to the point where it can connect to the Todd County Water District mater meter. The developer shall be required to obtain all easements from the Todd County Water District and any other property owner necessary to establish the right of way to install the line and the meters sought herein, including through the property of the developer.

The Muhlenberg County Water District hopes this will be found acceptable to the Public Service Commission and the developer will proceed accordingly.

Thank you,

  
Bobby Mayhugh,  
Chairman

In addition, Todd County will be charging us \$6.69 per 1000 gallons. Our regular rate purchasing water from Central City is \$2.63. We want to make the same percentage on these customers as we do on our regular customers.

Todd County Water has informed us that we will be charged a minimum of 20,000 gallons per month which is \$133.80. For us to make the same percent as our other customers, we need to charge \$239.50 to Bill Hill until the meters start being used. Our flat rate according to the percentage we make from other customers for 2000 gallons should be \$64.41.

FOR Muhlenberg County, Kentucky

Community, Town or City

P S C KY. NO 2

SHEET NO.

Muhlenberg County Water District  
(Name of Utility)

CANCELLING P S C. KY. NO. 2

SHEET NO.

Monthly Water Rates

5/8 x 3/4 Inch Meter:

|       |                |          |                   |
|-------|----------------|----------|-------------------|
| First | 2,000 Gallons  | \$ 25.31 | Minimum Bill      |
| Next  | 8,000 Gallons  | 8.84     | per 1,000 Gallons |
| Next  | 10,000 Gallons | 8.18     | per 1,000 Gallons |
| Next  | 30,000 Gallons | 7.53     | per 1,000 Gallons |
| Over  | 50,000 Gallons | 6.87     | per 1,000 Gallons |

1 Inch Meter:

|       |                |          |                   |
|-------|----------------|----------|-------------------|
| First | 5,000 Gallons  | \$ 51.83 | Minimum Bill      |
| Next  | 5,000 Gallons  | 8.84     | per 1,000 Gallons |
| Next  | 10,000 Gallons | 8.18     | per 1,000 Gallons |
| Next  | 30,000 Gallons | 7.53     | per 1,000 Gallons |
| Over  | 50,000 Gallons | 6.87     | per 1,000 Gallons |

1 1/2 Inch Meter:

|       |                |           |                   |
|-------|----------------|-----------|-------------------|
| First | 11,000 Gallons | \$ 104.18 | Minimum Bill      |
| Next  | 9,000 Gallons  | 8.18      | per 1,000 Gallons |
| Next  | 30,000 Gallons | 7.53      | per 1,000 Gallons |
| Over  | 50,000 Gallons | 6.87      | per 1,000 Gallons |

2 Inch Meter:

|       |                |           |                   |
|-------|----------------|-----------|-------------------|
| First | 16,000 Gallons | \$ 145.06 | Minimum Bill      |
| Next  | 4,000 Gallons  | 8.18      | per 1,000 Gallons |
| Next  | 30,000 Gallons | 7.53      | per 1,000 Gallons |
| Over  | 50,000 Gallons | 6.87      | per 1,000 Gallons |

DATE OF ISSUE \_\_\_\_\_  
Month / Date / Year

DATE EFFECTIVE 03/17/2013  
Month / Date / Year

ISSUED BY Brent Kirley  
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO \_\_\_\_\_ DATED \_\_\_\_\_

|   |
|---|
| KENTUCKY<br>PUBLIC SERVICE COMMISSION   |
| JEFF R. DEROUEN<br>EXECUTIVE DIRECTOR   |
| TARIFF BRANCH                           |
| <u>Brent Kirley</u>                     |
| EFFECTIVE<br><b>3/17/2013</b>           |
| PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Muhlenberg County, Kentucky  
Community, Town or City

P.S.C. KY. NO. 2

Original SHEET NO. \_\_\_\_\_

Muhlenberg County Water District  
(Name of Utility)

CANCELING P.S.C. KY. NO. 1

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

RULES AND REGULATIONS

time reduce that pressure, flow or duration. It should never be assumed that it will ever be adequate for fire protection.

Y. Requirements for New Water Connections.

1. Two shut-off valves must be installed.
2. A one-way check valve must be installed.
3. A pressure regulator may be required as prescribed by the utility.
4. There shall be absolutely no galvanized pipe or fittings used in the installation.
5. The water line must be visually inspected by the utility.
6. If a well is being used, it must be disconnected and the utility must inspect to verify separation.

(a) Any person connecting to a water distribution main shall pay other required charges and fees, to include a tap fee.

(b) If the District County determines that a larger size line is needed for future growth or infrastructure improvements, the District will pay the difference between the cost for the line to service the extension and the larger size line needed for general system improvements.

(c) The District shall require the applicant for service to pay for the total cost of excess footage over fifty feet and shall require the footage to be deposited with the utility by the applicant or applicants, based on the average estimated cost per foot of the total extension.

DATE OF ISSUE \_\_\_\_\_  
Month / Date / Year

DATE EFFECTIVE \_\_\_\_\_  
Month / Date / Year

ISSUED BY [Signature] \_\_\_\_\_  
(Signature of Officer)

TITLE Chairman \_\_\_\_\_

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

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
5/21/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

FOR Muhlenberg County, Kentucky  
Community, Town or City

P.S.C. KY. NO. 2

Original SHEET NO. \_\_\_\_\_

Muhlenberg County Water District  
(Name of Utility)

CANCELING P.S.C. KY. NO. 1

SHEET NO. \_\_\_\_\_

RULES AND REGULATIONS

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-on, seasonal turn-on, 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 incurred, including but not limited to appropriate legal, administrative, engineering, overhead, or other related costs.
  - e) Reconnection Charge: Will be assessed to reconnect service that has been

DATE OF ISSUE \_\_\_\_\_  
Month / Date / Year

DATE EFFECTIVE \_\_\_\_\_  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
5/21/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By Stephanie Dumber  
Executive Director

Muhlenberg County Water District  
Name of Issuing Corporation

FOR \_\_\_\_\_  
County, Town or City  
P.S.C. No. \_\_\_\_\_  
SHEET NO. \_\_\_\_\_  
CANCELLING P.S.C. NO. \_\_\_\_\_  
SHEET NO. \_\_\_\_\_

CLASSIFICATION OF SERVICE

RATE  
PER UNIT

RE: Case No. 93-070

Effective August 6, 1993, The Muhlenberg County Water District has contracted with the Todd County Water District to provide water service to an area of Lake Malone, Muhlenberg County, Kentucky, in accordance with a contract filed with the Public Service Commission dated July 6, 1993, which contract was approved by the Public Service Commission on August 6, 1993, a copy of the contract being attached hereto as an exhibit and the areas covered by said contract being outlined in general detail on the attached map of same.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

AUG 6 1993

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

BY: Shirley H. Hester  
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE August 23, 1993  
ISSUED BY Bobby L. Croyed  
Name of Officer

DATE EFFECTIVE August 6, 1993  
TITLE See map

Issued by authority of an Order of the Public Service Commission of

William Hill  
900 Malone Farm Lane  
Belton, KENTUCKY 42324

\*Muhlenberg County Water District  
301 Dean Road  
P. O. Box 348  
Greenville, KY 42345

\*Muhlenberg County Water District  
Muhlenberg County Water District  
301 Dean Road  
P. O. Box 348  
Greenville, KY 42345

\*M. Evan Buckley  
Goss Samford, PLLC  
2365 Harrodsburg Road, Suite B325  
Lexington, KENTUCKY 40504