

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF U.S. 60 WATER	)	
DISTRICT OF SHELBY AND FRANKLIN	)	
COUNTIES, KENTUCKY FOR NEW	)	CASE NO. 2014-00039
NONRECURRING CHARGES AND AN	)	
INCREASE IN EXISTING	)	
NONRECURRING CHARGES	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO U.S. 60 WATER DISTRICT

U.S. 60 Water District ("U.S. 60"), pursuant to 807 KAR 5:001, is to file with the Commission the original and eight copies of the following information, with a copy to all parties of record. The information requested herein is due no later than 15 days from the date of this Request. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

U.S. 60 shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

U.S. 60 fails or refuses to furnish all or part of the requested information, U.S. 60 shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

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 request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Provide the minutes of each meeting of U.S. 60's Board of Commissioners in which the proposed rate revision was discussed.

2. Provide the resolution of U.S. 60's Board of Commissioners in which the proposed rate revision was approved or, if no resolution was separately prepared, the minutes of the meeting of U.S. 60's Board of Commissioners in which the proposed rates were approved.

3. List separately for each calendar year from January 1, 2011, through December 31, 2013, and year-to-date for 2014, the total number of U.S. 60's:

- a. New meter connections;
- b. New 5/8-inch x 3/4-inch meter connections;
- c. New 1-inch meter connections; and
- d. New larger meter connections.

4. State the number of spare meters that U.S. 60 presently has in its inventory as of February 28, 2014.

5. State the number of meters that U.S. 60 seeks to maintain in its inventory.

6. State the number of meters that U.S. 60 purchases when it orders 5/8-inch x 3/4-inch meters.

7. For each of U.S. 60's last five purchases of 5/8-inch x 3/4-inch meters, state the date the order was made, the vendor, and the number of meters purchased. Provide copies of invoices.

8. Identify by name and address each vendor from whom U.S. 60 solicited a bid or estimate regarding meters in the course of preparing its proposed rate revision.

9. State whether, in U.S. 60's opinion and experience, the cost per unit for meters is less when the purchase order is for a number of meters rather than for one meter.

10. Identify by name and address each vendor from whom U.S. 60 solicited a bid or estimate regarding meter-setting materials in the course of preparing its Application.

11. For each meter installation performed from January 1, 2011, through February 28, 2014, state the meter size, type of service (short side or long side), and the number of hours required for the installation.

12. Refer to Exhibit 3 of the Application.

a. Does the list of field personnel include all field personnel for U.S. 60? If not, identify the additional field personnel and provide the same information for the additional personnel as is provided in Exhibit 3, page 1 of 5.

b. Identify the employees whose primary duties include the installation of water meters.

c. Describe the primary job duties of each employee listed as field personnel.

13. In its calculation of Installation Equipment Expense, U.S. 60 assumes an hourly wage rate of \$50.00 for a backhoe and \$15.00 for a push rod machine.

a. Explain how these hourly rates were determined.

b. For each type of installation equipment listed in the Application, state whether U.S. 60 owns such equipment. If U.S. 60 owns any equipment identified in the Application, identify the year of acquisition and the acquisition cost.

14. Explain how U.S. 60 determined the amount of time for Installation Equipment Expense. Provide all records and show all calculations that U.S. 60 used to make its determination.

15. To the extent that Installation Equipment Expense and Installation Miscellaneous Expense involve the rental of equipment, identify all suppliers from whom U.S. 60 has rented equipment for installing meters during the period January 1, 2011, through February 28, 2014, and provide a copy of the rental agreements.

16. Identify all persons from whom U.S. 60 solicited a bid or estimate regarding the rental of equipment listed in the Application in the course of preparing its proposed rates.

17. Refer to the Application, Exhibit 3, page 3 of 5, section titled Finalization of the site and preparation to return to shop.

- Perform rough cleanup in preparation for final cleanup at a later date.

a. Why is the final cleanup performed at a later date?

b. Will the same employees who perform the meter installation perform the final site cleanup? If not, identify the hourly rate of the employees who perform the meter installation and the hourly rate of the employees who perform the final site cleanup.

c. Describe activities involved in final site cleanup procedure.

18. Refer to Exhibit 1 of the Application, page 3, Section F (3).

a. Explain how U.S. 60 determined the distance of 30 miles.

b. Does this distance include expenses for the second trip to the site for final cleanup?

19. List all activities included in the administrative expense of \$19.51 and the amount of time that each activity takes. Explain how U.S. 60 determined the amount of time for each activity.

20. Show all calculations that U.S. 60 used to develop its estimate for administrative expense.


21. Refer to the Nonrecurring Charge Cost Justification forms provided in the Application for Meter Turn-on Charge, Service Line Inspection Charge, Service Reconnection Charge, Delinquent Account Collection Charge, Meter Reading Recheck Charge, Meter Test Charge, Service Investigation Charge, Meter Investigation Charge, and the corresponding after-hour charges.

a. Explain in detail how U.S. 60 determined the 1.25 hours of labor in Section 1.B. List all activities included and the amount of time that each activity takes.

b. Explain why no clerical and office expense was estimated for these charges.

c. Explain why no materials expense was estimated for these charges, particularly the Meter Test Charge.

d. Refer to Meter Test Charge Cost Justification, Section 3. Miscellaneous Expense. Explain how U.S. 60 determined two hours for shop test labor. Provide the time it takes U.S. 60 staff to test a meter.

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

DATED MAR 12 2014

cc: Parties of Record

Case No. 2014-00039

Honorable Donald T Prather  
Mathis, Riggs & Prather, P.S.C.  
500 Main Street, Suite 5  
Shelbyville, KENTUCKY 40065