

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF MCKINNEY WATER DISTRICT)	
TO IMPLEMENT A NEW NONRECURRING)	CASE NO.
CHARGE AND REVISE CERTAIN)	2016-00277
NONRECURRING CHARGES)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO MCKINNEY COUNTY WATER DISTRICT

McKinney County Water District ("McKinney Water"), pursuant to 807 KAR 5:001, shall file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due on or before September 6, 2016. 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 the 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.

McKinney Water 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 McKinney Water fails or refuses to furnish all or part of the requested information, it

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 that it is legible. 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 filling a paper containing personal information, McKinney Water shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, Nonrecurring Charge Cost Justification forms Meter Re-Read, Service Call/Investigation, and Service Reconnection. For item 3.A., Miscellaneous Expense – Transportation, provide a detailed explanation as to how the \$11.50 was derived (i.e., if this was derived by a mileage rate, state the mileage rate and how many miles that the \$11.50 represents, and why that particular mileage rate was used). Show all calculations, state all assumptions, and provide all supporting documentation.

2. Refer to the Application, Nonrecurring Charge Cost Justification forms Service Call/Investigation and Service Reconnection. For the items 1.B., Field Expense – Labor (Time and Wage), stated at \$17.58, and 2.B., Clerical and Office Expense – Labor, stated at \$10.15:

a. Provide a detailed explanation as to how these amounts were derived (i.e., if this represents a specific employee's hourly wage rate, or an average of several employees' hourly rates, then state the job title and the hourly rate of each

employee). Show all calculations, state all assumptions, and provide all supporting documentation.

b. For item 1.B., explain in detail the process or processes that requires one hour for either a Service Call/Investigation or a Service Reconnection.

3. Refer to the Application, Nonrecurring Charge Cost Justification form, Meter Re-Read.

a. Item 1.B., Field Expense – Labor (Time and Wage), states a rate of \$117.58 per hour. State whether this wage rate is correct. If it is not correct, state the correct hourly wage rate.

b. Explain in detail how the total of \$17.58 for item 1.B. was determined. Show all calculations, state all assumptions, and provide all supporting documentation.

c. If item 1.B. is incorrectly stated at \$117.58, explain in detail the process or processes that require one hour for a Meter Re-Read.

d. If item 1.B. is correctly stated at \$117.58, explain in detail the process or processes that require a total of six minutes for a Meter Re-Read.

4. Refer to the Application, Average Meter Connection Expense Cost Justification for installation of a 5/8-inch meter.

a. On page 2, items D.1., Installation Labor Expense – Short Side, and D.2., Installation Labor Expense – Long Side Service, have an hourly rate of \$35.16 listed. Explain in detail how this hourly rate was calculated. Show all calculations, state all assumptions, and provide all supporting documentation.

b. On page 3, item H.1., Administrative Expense – Office expense for establishing a new account and billing record, is listed at \$10.15. Explain in detail how the total for Administrative Expenses was calculated. Show all calculations, state all assumptions, and provide all supporting documentation.

5. Refer to the Application, Average Meter Connection Expense Cost Justification for installation of a 5/8-inch meter, page 3, item F.3., Installation Miscellaneous Expense, which lists a Road Bore (No Rock) expense of \$250.00.

a. Is the \$250.00 expense for the cost of the equipment, the labor to operate the machine, or both? If it is for both the cost of the equipment and labor, provide a breakdown of the expense into parts by equipment and labor.

b. State whether the use of a road bore is required on both short side and long side service installations. If it is not required for both types of installations, state why the expense is not included in items D., Installation Labor Expense, and/or E., Installation Equipment Expense, in the long side service installation and averaged.

b. State how McKinney Water determines the cost of the road bore where there is rock present.

(1) Identify the provisions in McKinney Water's existing tariffs that address the customer's responsibility with respect to connection expense when rock is present.

(2) If McKinney Water's existing tariffs do not address the customer's responsibility with respect to connection expense when rock is present, state how McKinney Water handles a request for connection when rock is present.

(3) If applicable, provide a new or revised tariff sheet containing the charge, fee, condition of service, and/or rule for a meter connection when rock is present.

6. State whether McKinney Water plans to delete item 31.A., Special Charges, on the existing 1st Revised Sheet No. 16. If so, provide the revised tariff sheet that McKinney Water proposes to use. If not, explain why not.

7. Refer to McKinney's Water proposed 1st Revised Sheet No. 17 and 3rd Revised Sheet No. 18.

a. Confirm that item J., Meter Service Damage Charge, on the 3rd Revised Sheet No. 18 duplicates item D., Meter Service Damage Charge, on the 1st Revised Sheet No. 17. Indicate why the same charge is addressed in both items.

b. Confirm that item K., Meter Test, on the 3rd Revised Sheet No. 18 duplicates item E., Meter Test, on the 1st Revised Sheet No. 17. Indicate why the same charge is addressed in both items.

c. If the Meter Service Damage Charge and Meter Test provisions on the 3rd Revised Sheet No. 18 appear in error, provide a corrected 3rd Revised Sheet No. 18.

8. Refer to McKinney Water's existing 2nd Revised Sheet No. 18, *Rules and Regulations* for furnishing water service at Lincoln and Casey counties.

a. Confirm that McKinney Water's 2nd Revised Sheet No. 18 contains item 32, Special User Agreements for Non-Standard Service, and item 33, Miscellaneous.

b. State whether McKinney Water seeks to delete these two items from its *Rules and Regulations* for furnishing water service at Lincoln and Casey counties. If so, state why. If not, provide corrected revised tariff sheets containing items 32 and 33.



Talina R. Mathews
Executive Director
Public Service Commission
P.O. Box 615
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DATED AUG 26 2016

cc: Parties of Record

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Stanford, KY 40484

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