## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE VERIFIED JOINT APPLICATION OF THE CITY OF OWENTON AND KENTUCKY-AMERICAN WATER COMPANY FOR APPROVAL OF THE TRANSFER OF THE OWNERSHIP OF WATER AND WASTEWATER-RELATED ASSETS OF THE CITY OF OWENTON TO KENTUCKY-AMERICAN WATER COMPANY

CASE NO. 2005-00206

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## COMMISSION STAFF'S INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO KENTUCKY-AMERICAN WATER COMPANY AND THE CITY OF OWENTON

Pursuant to 807 KAR 5:001, Commission Staff requests that Kentucky-American Water Company ("KAWC") and the city of Owenton, Kentucky ("Owenton") (collectively "Joint Applicants") file the original and 8 copies of the following information with the Commission within 20 days of the date of this request, with a copy to all parties of record. Each copy of the information requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. 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.

1. Provide a schedule of Owenton's current rates and rules.

2. Provide a comparison of Owenton's current rates with those charged to KAWC customers within KAWC's Northern Division.

3. Provide all rate studies that were used to prepare Owenton's current rates.

4. Provide the ordinance that Owenton's legislative body enacted to approve Owenton's current rates.

5. Provide all studies that either of the Joint Applicants has prepared or commissioned regarding the effect on Owenton's current customers or KAWC if KAWC's current rates are assessed to Owenton's current customers once the transfer occurs.

6. Provide all correspondence between the Joint Applicants regarding the rate that KAWC would assess Owenton's current customers if the proposed transfer is approved.

7. State the effect on the Joint Applicants' "Asset Purchase Agreement" if the Commission determines that KAWC's current rates are the appropriate rates to charge Owenton's current customers once the transfer occurs.

8. Explain how the assessment of different rates for the former customers of Owenton and Tri-Village Water District is consistent with KAWC's presumed role of a "regional water supplier."

9. Explain why the assessment of different rates and the application of different rules and conditions of service to KAWC customers who live in areas currently or previously served by Owenton or Tri-Village Water District would not constitute an unreasonable difference between localities.

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10. Describe the source of KAWC's funds for the stated purchase price.

Beth O'Donnell Executive Director Public Service Commission P. O. Box 615 Frankfort, KY 40602

DATED: <u>June 14, 2005</u>

cc: Parties of Record