

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF THE CITY OF WEST LIBERTY,	)	
KENTUCKY FOR APPROVAL TO ACQUIRE	)	CASE NO.
THE UTILITY ASSETS OF ELAM UTILITY	)	2010-00302
COMPANY, INC. AND FOR APPROVAL OF A	)	
MANAGEMENT AGREEMENT	)	

COMMISSION STAFF'S DATA REQUEST TO  
CITY OF WEST LIBERTY, KENTUCKY

The City of West Liberty, Kentucky ("West Liberty"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 10 copies of the following information, with a copy to all parties of record. The information requested herein is due no later than August 2, 2010. 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.

West Liberty 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 West Liberty fails or refuses to furnish all or part of the requested information, Columbia 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Explain whether West Liberty has arranged for a gas supply source for providing gas service to Elam customers. If so, identify the supplier(s) and the specific arrangements. If no, when does West Liberty expect to arrange for a gas supply?

2. Explain whether West Liberty has performed any analysis as to whether and when a rate adjustment will be needed.

3. Refer to Exhibit 2 of the July 19, 2010 application, the audited financial statements of West Liberty.

a. Refer to page 4, the Statement of Activities. The lines referring to "Business-type activities" show that, for the fiscal year ended June 30, 2009, the activities of the West Liberty water and sewer operations incurred net expenses of roughly \$700,000, based on charges for services of roughly \$1.6 million and expenses of roughly \$2.3 million. Provide the charges for services and expenses for the water and sewer operations for the four previous fiscal years.

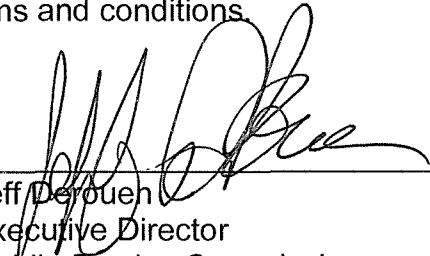
b. If any preliminary results are available for the water and sewer operations for the fiscal year ended June 30, 2009, even unaudited, provide those results.

c. Refer to pages 9 and 10, the Statement of Net Assets.

(1) Provide a schedule which includes a summary of the plant in service balance of \$20,131,897 with a breakdown between the water and sewer utility operations, plus the number of meters for each service by either customer type (residential, commercial, etc.) or meter size.

(2) Identify the lender(s) of the long-term debt of \$3,360,939, along with the general terms, such as interest rate and amortization period of the debt.

4. Explain whether West Liberty intends to serve all customers, including those in Wolfe County, under the same rates, terms and conditions.



---

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

DATED JUL 26 2010

cc: All Parties

Case No. 2010-00302

Honorable W. Duncan Crosby III  
Attorney at Law  
Stoll Keenon Ogden, PLLC  
2000 PNC Plaza  
500 W Jefferson Street  
Louisville, KY 40202-2828

Honorable D. Joleen Frederick  
City Attorney, City of West Liberty  
P. O. Box 508  
West Liberty, KY 41472

Kim Ison Gevedon  
Attorney at Law  
579 Main Street, Suite 2  
P.O. Box 216  
West Liberty, KY 41472

Honorable Dennis G Howard II  
Assistant Attorney General  
Office of the Attorney General Utility & Rate  
1024 Capital Center Drive  
Suite 200  
Frankfort, KY 40601-8204

Wilma B Sorrell  
President  
Elam Utility Company, Inc.  
459 Main Street  
West Liberty, KY 41472