

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE)
WHOLESALE WATER SERVICE RATES OF) CASE NO. 2011-00240
THE JACKSON COUNTY WATER)
ASSOCIATION)

COMMISSION STAFF'S REQUEST FOR INFORMATION
TO JACKSON COUNTY WATER ASSOCIATION, INC.

Pursuant to 807 KAR 5:001, Jackson County Water Association, Inc. ("Jackson County") shall file with the Commission no later than 20 days from the date of this request the original and seven copies of the following information, with a copy to all parties of record. 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.

Jackson County 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

Jackson County fails or refuses to furnish all or part of the requested information, Jackson County 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.

1. Explain why Jackson County is requesting an adjustment of its wholesale rates only and is not seeking an adjustment of its retail rates.
2. State Jackson County's position on whether 807 KAR 5:001, Section 10, permits Jackson County to seek a rate adjustment of its wholesale rate only.
3. Provide an electronic version in Microsoft Excel format of the cost-of-service study that Jackson County included in its filing of June 21, 2011.
4. Explain why Jackson County is proposing wholesale rates that are lower than the rate of \$4.32 per 1,000 gallons that is reflected in the result of the cost-of-service study included in its filing of June 21, 2011.
5. Provide the audit/compilation report for Jackson County for the calendar year ending December 31, 2010.
6. Provide Jackson County's general ledger for the calendar year ending December 31, 2010.
7. Provide the auditor's adjusted trial balance, all audit/compilation adjustments, and a full explanation for each audit/compilation adjustment supporting the audit/compilation report requested above. If the audit/compilation report coincides with

the test period and the auditor's adjustments have been reflected in the general ledger requested above, the ending account balances of the adjusted trial balance should be traceable to the ending balances of the ledger. If the auditor's adjustments have not been reflected in the general ledger, then the ending balances of the ledger should be traceable to the beginning balances of the trial balance.

8. Provide the supporting work papers for all audit/compilation adjustments.
9. Provide a depreciation schedule that details each individual plant item, its original cost, accumulated depreciation, in-service date and depreciable life.
10. Provide invoices for all expenditures paid during the test period and six months thereafter.
11. Provide the minutes of each meeting of Jackson County's Board of Directors that has been held since January 1, 2010.
12. List each person that Jackson County employed during the calendar year 2010. For each employee listed, provide:
 - a. His or her name.
 - b. His or her title.
 - c. His or her length of employment.
 - d. His or her job duties.
 - e. His or her pay rate during the calendar year 2010.
 - f. His or her current pay rate.
 - g. The date on which his or her current pay rate became effective and the percentage of increase from the previous pay rate.

h. The regular time worked and overtime worked during the calendar year 2010.

i. The percentage of the calendar year 2010 payroll that was capitalized.

j. The total calendar year 2010 payroll that was expensed and capitalized.

13. If Jackson County did not capitalize any of its payroll during calendar year 2010, explain why not.

14. a. Identify all employees listed in the response to Item 10 who are no longer Jackson County employees.

b. For each employee listed:

(1) State whether his or her position has been filled.

(2) If the position has been filled, provide the information requested in Item 10(a) for the new employee.

(3) If the position has not been filled, state when Jackson County expects to hire a new employee.

15. a. Provide a schedule listing Jackson County's insurance coverage, including type of coverage (e.g., vehicle insurance, general liability insurance, workers' compensation), annual premiums, and effective dates.

b. Provide a copy of each invoice that Jackson County received in 2010 and 2011 for insurance services.

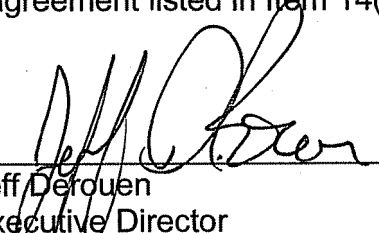
16. Provide a copy of the depreciation schedule supporting the calendar year 2010 depreciation expense.

a. For each long-term loan agreement for which Jackson County still has an outstanding obligation:

- (1) Identify the lender;
- (2) State the date on which the agreement was executed;
- (3) State the amount of the original obligation;
- (4) State the amount of the obligation remaining as of October 1, 2011;
- (5) Describe the use of the loan proceeds;
- (6) Provide an amortization schedule; and,
- (7) Provide the number and style of the Commission proceeding

in which the Commission authorized Jackson County to enter the loan agreement.

b. Provide a copy of each loan agreement listed in Item 14(a).



Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
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DATED OCT 12 2011

cc: Parties of Record

Case No. 2011-00240

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