

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY-AMERICAN)	
WATER COMPANY FOR A CERTIFICATE OF)	CASE NO.
CONVENIENCE AND NECESSITY)	2014-00258
AUTHORIZING THE CONSTRUCTION OF)	
RICHMOND ROAD STATION FILTER BUILDING)	
IMPROVEMENTS)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO KENTUCKY-AMERICAN WATER COMPANY

Kentucky-American Water Company ("Kentucky-American"), pursuant to 807 KAR 5:001, is to 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 October 24, 2014. 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.

Kentucky-American 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 Kentucky-American 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 shall 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. Refer to the Kentucky-American response to Commission Staff's First Request for Information ("Staff's First Request"), Item 5, attachment 5, page 3 of 7, an e-mail from Andy Higgins to Brent E. O'Neill dated February 28, 2013.

a. Provide a copy of the CPS Report prepared by American Water Engineering and submitted to Kentucky-American that is referenced in the e-mail message. Include any updates or amendments to the CPS Report that pertain to the Richmond Road Station.

b. Provide a copy of each of the two file attachments to the February 28, 2013 e-mail message, "Structural Dwgs Set.pdf" and "Cost Estimate.pdf."

c. The e-mail message includes the following statements. "The CPS indicated that repairs on the order of \$500,000 would be required to repair pipe supports, concrete beams, floor slabs and cracks in the concrete tank walls. This approach, as outlined in the report, was comprehensive in that it provide for repairs to last 20+ years and covered more than just pipe hanger supports. It was intended to

prolong the life of the entire structure and assumed the facility would remain in service for the next 20+ years.” Explain whether the approach identified and outlined in the CPS Report is sufficient to restore and maintain the integrity of the structure so as to avoid any likely structural failure in the building. If not, explain why not.

2. Refer to the Kentucky-American response to Staff’s First Request, Item 5, attachment 5, page 3 of 7, an e-mail from Andy Higgins to Brent E. O’Neill dated February 28, 2013. The e-mail message states, “As a result of the high cost and the possibility that the structure may be replaced, KAW asked whether a lower cost alternative was available to address the immediate safety issue related to the pipe hangers and several of the support beams.” A summary of the proposed alternative is provided. The e-mail messages further states, “These repairs should be implemented as soon as possible.”

a. Provide a detailed explanation of Kentucky-American’s decision to seek an alternative to the approach for the Richmond Road Filter Piping Gallery prepared by American Water Engineering and identified as a part of the CPS Report that is discussed in the February 28, 2013 e-mail message.

b. For the proposed alternative summarized in the February 28, 2013 e-mail message, indicate each of the repairs that have been implemented, the date of implementation, and the cost of implementation.

c. For the proposed alternative summarized in the February 28, 2013 e-mail message, identify any repair that has not been implemented and explain why it has not been implemented.

d. For the proposed alternative summarized in the February 28, 2013 e-mail message, indicate whether Kentucky-American will still need to implement any of the repairs if the Commission authorizes construction of the Richmond Road Filter Building improvements. If so, identify each repair that Kentucky-American will implement.


3. Provide a detailed description of the existing clearwell capacity of the Kentucky-American system as it pertains to the operation of the Richmond Road Station. Indicate the impact to Kentucky-American's clearwell capacity if the Commission authorizes construction of Richmond Road Station Filter Building improvements.

4. Refer to the Kentucky-American response to Staff's First Request, Item 1. Provide an update on the completion status of both the Hazen and Sawyer Project Drawings and Specifications and Contract Documents.

5. Provide a discussion regarding the operation of Kentucky-American's existing Richmond Road Station Filter Building as it pertains to compliance with the requirements of the Division of Water. Indicate whether there have been any findings or notices of lack of compliance with the requirements of the Division of Water attributable to the condition and operation of the Richmond Road Station Filter Building. Include any supporting documentation.

6. Refer to Kentucky-American's letter dated August 27, 2014, concerning the cost implications related to the timing of issuance of the final decision in this case. Provide documentation supporting the expected price increases of cement, reinforcing

steel, stainless steel, and ductile iron pipe. Provide a revised project cost estimate using the increased costs and compare this to the current projected construction cost.



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cc: Parties of Record

Case No. 2014-00258

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