

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG SANDY WATER DISTRICT)	
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY TO CONSTRUCT A SYSTEM)	CASE NO.
IMPROVEMENTS PROJECT AND AN ORDER)	2019-00275
APPROVING A CHANGE IN RATES AND)	
AUTHORIZING THE ISSUANCE OF SECURITIES)	
PURSUANT TO KRS 278.023)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO BIG SANDY WATER DISTRICT

Big Sandy Water District (Big Sandy District), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies in paper medium of the following information, with a copy to all parties of record. The information requested is due on or before September 6, 2019. Responses to requests for information in paper medium 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.

Big Sandy District 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 Big Sandy District fails or refuses to furnish all or part of the requested information, Big Sandy District 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. When filing a paper containing personal information, Big Sandy District 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 billing analysis (Billing Analysis) filed on August 23, 2019. Provide a copy of the Billing Analysis in Excel spreadsheet format, with formulas intact and unprotected, and all rows and columns fully accessible.

2. Refer to the Billing Analysis, Table XV, Forecast of Water Usage – Income – Existing System – Existing Users – Residential Only and Non-Residential Only (Table XV). The rates listed in the column titled “rate” are proposed rates and should match those listed in Table XVII, Forecast of Water Usage – Income – New Users – Extension Only Proposed Rate Increase – Residential Only and Non-Residential Only (Table XVII).

a. Explain why Table XV has different proposed rates per gallon than Table XVII and indicate which table contains the correct proposed rates in the rate column.

b. Refile the response with the corrected tables, in both PDF format and Excel spreadsheet format, as directed in Item 1.

3. Refer to the Billing Analysis, Table XV, and Table XVII. Given that both tables are based on the proposed rates with the same number of customers and usage information, explain how the annual revenue for each table is different.

4. Refer to the Billing Analysis, Table IX, Analysis of Actual Water Usage – Existing System – 12 Month Period (Table IX). Explain how the rates and current revenue from Division 2, former Overland Development area, are incorporated into the total annual revenue for residential customers. If the Division 2 customer usage and revenue calculation was omitted from Table IX, provide an update to the billing analysis in Excel spreadsheet format, as directed in Item 1.

5. State whether the revenue from Cannonsburg Water District was included in the billing analysis. If included, explain how the rates and current revenue are included in the billing analysis. If not, provide the current and proposed revenue from Cannonsburg Water District and provide an update to the billing analysis in Excel spreadsheet format, as directed in Item 1.

6. Confirm that Cannonsburg Water District is served on a 2-inch service line and will be charged both the minimum bill and per-1,000-gallon rate for a 2-inch meter retail customer.

7. Explain whether the revisions to the Billing Analysis discussed in Items 2, 3, 4, and 5 will require the rates to be revised. If the rates must be revised, explain what effect this will have on the application tendered, but not filed, in this case and on the process of obtaining the loan previously approved by the United States Department of Agriculture Rural Development.



Gwen R. Pinson
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED AUG 27 2019

cc: Parties of Record

*Big Sandy Water District
18200 Kentucky Route #3
Catlettsburg, KY 41129

*Honorable W. Randall Jones
Attorney at Law
Rubin & Hays
Kentucky Home Trust Building
450 South Third Street
Louisville, KENTUCKY 40202