

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY-)	CASE NO.
AMERICAN WATER COMPANY FOR AN)	2021-00434
ALTERNATIVE RATE ADJUSTMENT)	

COMMISSION STAFF'S THIRD 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 an electronic version of the following information. The information requested is due on March 28, 2022. The Commission directs Kentucky-American to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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 Kentucky-American obtains information that indicates 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, Kentucky-American shall provide a written explanation of the specific grounds for its failure to respond completely and precisely.

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, Kentucky-American 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 filed tariff, PSC Ky. No 3, Original Sheet No. 26, Reconnection Charge.
 - a. Explain whether Kentucky-American performs after hours reconnections.
 - b. If so, provide the charge, the number of occurrences in the test year, and the accompanying cost justification for this charge.

c. If not, explain why Kentucky-American does not offer reconnection after hours.

2. Refer to Kentucky-American's response to Commission Staff's Second Request for Information (Staff's Second Request), Item 7. Explain why Kentucky-American did not propose to unify the connection fees.

3. Refer to Kentucky-American's response to Staff's Second Request, Item 9. Refer to KAW_R_PSCDR2_NUM009_022822_Attachment.xlsx. Provide support for the four year phase in multipliers.

4. Refer to Kentucky-American's response to Staff's Second Request, Item 10. Kentucky-American states that the delivered water service fee is lower in cost as compared to other utilities that provide the same service. For other Kentucky utilities that provide the service, provide the utility and the delivered waste water service fee charged.

5. Refer to Kentucky-American's response to Staff's Second Request, Item 11. Provide a schedule of proposed rates if an across the board increase was to be applied.

6. Refer to the Application, the PDF schedule entitled Depreciation, Interest, Capital Structure, Depreciation Schedule per ARF Form-1 Item 14 and to Kentucky-American's responses to Staff's Second Request, Item 1.c. Kentucky-American explains that for the following utility accounts (354200, 354300, 354400, 360000, 361100, 361101, 380000, 381000, 393000) it uses multiple depreciation lives based on the district where the asset is located.

a. Provide a detailed explanation as to why it is appropriate to use different depreciation lives for identical asset categories that are located in different service territories.

b. Provide a revised KAW_R_PSCDR2_NUM001_022822_ Attachment A that uses a single depreciation life for each asset category listed.

c. The revised schedule provided in response to Item 6.b should be in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible that contains the information as requested in the table below.

d. Provide documentation to support each depreciation life chosen by Kentucky-American in its response to Item 6.b.

7. Refer to Kentucky-American's responses to Staff's Second Request, Item 5.

a. Provide a schedule calculating the ratio of the direct salaries charged to the sewer division to Kentucky-American's non-management payroll for calendar years 2015 through 2020.

b. The schedule provided in response to Item 7.a should be in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible that contains the information as requested in the table below.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED MAR 11 2022

cc: Parties of Record

Case No. 2021-00434

*Angela M Goad
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Tricia Sinopole
Kentucky-American Water Company
2300 Richmond Road
Lexington, KY 40502

*John Dillon
Kentucky-American Water Company
2300 Richmond Road
Lexington, KY 40502

*John G Horne, II
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Honorable Lindsey W Ingram, III
Attorney at Law
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*Larry Cook
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*J. Michael West
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Kentucky-American Water Company
2300 Richmond Road
Lexington, KY 40502