

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF ALLEN COUNTY WATER)
DISTRICT TO REVISE ITS NON-RECURRING) CASE NO. 2013-00188
CHARGES)

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO ALLEN COUNTY WATER DISTRICT

Pursuant to 807 KAR 5:001, Allen County Water District ("Allen District") shall file with the Commission no later than October 11, 2013 the original and ten 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.

Allen 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 Allen District fails or refuses to furnish all or part of the requested information, Allen

District 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. Refer to Allen District's Response to the Commission's Order of May 31, 2013, Item 4. State whether the "Division of Water requirements as of January 4, 2014" to which Allen District makes reference is the Reduction of Lead in Drinking Water Act. If not, identify the law or regulation to which Allen District is referring.

2. Refer to Allen District's Response to the Commission's Order of May 31, 2013, Item 7. Provide the invoice for the meter purchase made from G&C Supply Co. on November 26, 2012.

3. Refer to Allen District's Response to the Commission's Order of May 31, 2013, Item 8. Provide the bids that Allen District received from Consolidated Pipe and Supply Company.

4. Refer to Allen District's Response to the Commission's Order of May 31, 2013, Item 6. State whether, when Allen District makes a purchase of 20 to 30 meters for inventory purposes, it publishes a notice or advertisement of a request for bids in a newspaper of general circulation in its service area.

5. Refer to Allen District's Response to the Commission's Order of May 31, 2013, Item 11.

a. Explain why it is reasonable to assume that a meter installation will occur in an area that is farthest away from Allen District's shop.

b. Explain why it is not more reasonable to base mileage and travel time assuming a distance of 12.5 miles – one-half of the distance from Allen District's shop or office to its territory boundary.

6. Refer to Allen District's Response to the Commission's Order of May 31, 2013, Item 14.

a. Explain why, in calculating installation labor expense, the use of the average of the field employees' four highest wage rates would not be more reasonable or accurate than basing the hourly wage rate only on the hourly wage rate of the oldest employee.

b. Explain why an average of wage rates was used to calculate clerical and office expense but not installation labor expense.

7. Refer to Allen District's Response to the Commission's Order of May 31, 2013, Item 11. Explain why it is reasonable to assume that a meter connection or reconnection will occur in an area that is farthest away from Allen District's shop.

8. Identify the following percentage of an employee's wage that Allen District must make a required contribution for each of the following items:

- a. Social Security tax;
- b. Medicare tax;
- c. Defined benefit pension plan.

9. State whether Allen District provides any insurance coverage for its employees. If the response is yes, identify each type of coverage (e.g., life, health, vision) and state the amount of Allen District's monthly contribution to the cost of such coverage for an Allen District employee.

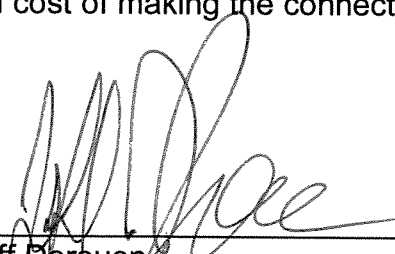
10. Refer to Allen District's Response to the Commission's Order of May 31, 2013, Item 15. In the cost justification sheets that it submitted with its proposed tariff sheets, Allen District lists Installation Equipment Expense that is based upon an hourly rate of \$75.

a. Describe how Allen District determined an hourly rate of \$75 for Installation Equipment Expense.

b. Explain why, as Allen District owns all of the equipment used for meter installations, the inclusion of installation equipment expense in the cost calculations is appropriate or reasonable.

11. State which, if any, of the proposed charges would involve services provided after normal business hours and would require Allen District to pay overtime to its employees to ensure the service is provided.

12. Refer to Allen District's Response to the Commission's Order of May 31, 2013, Item 3. Explain why, given the number of connections for meters that are one-inch and larger that Allen District made in the period from 2010 to 2012, the rate for such service should not be based upon the actual cost of making the connection, rather than a specific rate.



Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
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DATED SEP 30 2013

cc: Parties of Record

Case No. 2013-00188

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