

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF MARTIN COUNTY WATER)
DISTRICT TO IMPLEMENT A NEW NON-)
RECURRING CHARGE, DISCONTINUE CERTAIN)
EXISTING NON-RECURRING CHARGES, AND) CASE NO. 2015-00005
INCREASE CERTAIN EXISTING NON-)
RECURRING CHARGES)

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

Martin County Water District ("Martin County"), pursuant to 807 KAR 5:001, is to file with the Commission the original and eight copies of the following information, with a copy to all parties of record. The information requested herein is due no later than 15 days from the date of this request. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall repeat the question and 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.

Martin 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 Martin County fails or refuses to furnish all or part of the requested information, Martin 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 its legibility. 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 filing a paper containing personal information, Martin County shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Provide the minutes of each meeting of Martin County's Board of Commissioners in which the proposed rate revision was discussed.

2. Provide the resolution of Martin County's Board of Commissioners in which the proposed rate revision was approved. If no resolution was separately prepared, provide the minutes of the meeting of Martin County's Board of Commissioners in which the proposed rates were approved.

3. List separately for each calendar year from January 1, 2012, through December 31, 2014, the total number of Martin County's:

- a. New meter connections;
- b. New 5/8-inch x 3/4-inch meter connections; and
- c. New meter connections larger than 5/8-inch x 3/4-inch, listed by size.

4. State the number of spare meters in Martin County's inventory as of December 31, 2014.
5. State the number of meters that Martin County seeks to maintain in its inventory.
6. State the number of meters that Martin County purchases when it orders 5/8-inch x 3/4-inch meters.
7. For each of Martin County's last five purchases of 5/8-inch x 3/4-inch meters, state the date the order was made, the vendor, and the number of meters purchased. Provide copies of the invoices from these purchases.
8. Identify by name and address each vendor from whom Martin County solicited a bid or estimate regarding meters in the course of preparing its proposed rate revision.
9. State whether, in Martin County's opinion and experience, the cost per unit for meters is less when the purchase order is for a number of meters rather than for one meter.
10. Identify by name and address each vendor from whom Martin County solicited a bid or estimate regarding meter-setting materials in the course of preparing its Application.
11. For each meter installation performed from January 1, 2012, through December 31, 2014, state the meter size, type of service (short side or long side), and the number of hours required for the installation.
12. Refer to the Application, Average Meter Connection Expense Cost Justification form, Installation Labor Expense.

a. Provide a detailed explanation of how the number of hours for short side and long side were determined.

b. In its calculation of Installation Labor Expense, Martin County states an hourly wage rate of \$52.62. Explain in detail how this rate was determined.

13. In its calculation of Installation Equipment Expense, Martin County assumes an hourly wage rate of \$30.00.

a. Explain how this rate was determined.

b. List each type of equipment that is included in Installation Equipment Expense.

c. For each type of equipment listed in response to Item 13(a), state whether it is used for both types of service (i.e., short side or long side). If not used for both types, identify the type of service the equipment is used.

d. For each type of installation equipment listed in the application state whether Martin County owns such equipment. If Martin County owns any equipment identified, identify the year of acquisition and the acquisition cost.

e. Explain how Martin County determined the amount of time for Installation Equipment Expense. Provide all records and show all calculations that Martin County used to make its determination.

14. To the extent that Installation Equipment Expense involves the rental of equipment, identify all suppliers from whom Martin County has rented equipment for installing meters during the period January 1, 2012, through December 31, 2014, and provide a copy of the rental agreements.

15. Identify all persons from whom Martin County solicited a bid or estimate regarding the rental of equipment listed in response to Item 13.a. above in the course of preparing its proposed rates.

16. Refer to the Application, Average Meter Connection Expense Cost Justification form, Installation Miscellaneous Expense. Why is the total cost for this section \$0.00?

17. Refer to the Application, Average Meter Connection Expense Cost Justification form, Administrative Expense. Provide a detailed explanation of how the amount of \$5.00 was determined.

18. Refer to the Application, Nonrecurring Charge Cost Justification forms, charges for Returned Check, Meter Turn-on, Meter Re-read, Meter Test, Service Call Investigation, and Meter Reconnection, and the corresponding after-hour charges

a. Explain in detail how Martin County determined the amount of hours of labor in 1.B. List all activities included and the amount of time that each activity takes.

b. Explain in detail how Martin County determined the amount of the hourly wage rate in 1.B. for each proposed charge.

c. Explain why no materials expense was estimated for these charges, particularly the Meter Test Charge.

d. Explain in detail how Martin County determined the amount of \$5.00 Clerical and office Expense for labor in 2.B.

e. Explain in detail how Martin County determined the amount of \$20.00 Miscellaneous expense for Transportation in 3.A.

19. Refer to the Application, Nonrecurring Charge Cost Justification form, Returned Check Charge. Provide documentation, invoice or bank statement of the \$25.00 charge listed in 3.B.

20. Refer to the Application, Nonrecurring Charge Cost Justification form, Meter Test Charge 3.B.

a. Provide an explanation and all documentation supporting the \$15.00 shipping charge listed in 3.B.

b. Provide an explanation and all documentation supporting the \$18.00 testing by third party charge listed in 3.B.

21. Certain nonrecurring charges currently in Martin County's tariff were omitted from the proposed tariff sheets provided in the application. Clearly state each of the charges that are to be canceled from the tariff and explain why they are being canceled.

22. Martin County provided a proposed tariff sheet with the application revising the current deposit amounts for meters 4-inch and smaller.

a. Provide a detailed explanation for the proposed amounts for each meter size.

b. Explain why 6-inch and 8-inch meters, which are in the current tariff, were omitted from the proposed revisions.



Jeff Derouen
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Public Service Commission
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DATED MAR 10 2015

cc: Parties of Record

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