

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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AUG 16 2016

PUBLIC SERVICE  
COMMISSION

In the Matter of:

AIRVIEW UTILITIES, LLC            )  
PETITION FOR ABANDONMENT    )

CASE NO. 2016-00207

**ATTORNEY GENERAL'S INITIAL REQUEST FOR INFORMATION**

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits this Initial Request for Information to Airview Utilities, LLC ("Airview" or "Company") to be answered in accord with the following instructions:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the witness(es) who will be prepared to answer questions concerning each request.

(3) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for Airview with an electronic version of these data requests, upon request.

(4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, 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.

(6) If you believe any request appears confusing, please request clarification directly from Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements;

warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

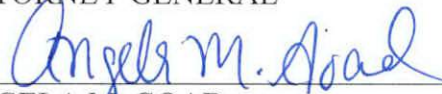
(12) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) The Attorney General reserves the right to pose additional preliminary data requests on or before the due date specified in the Commission's procedural schedule.

Respectfully submitted,

ANDY BESHEAR  
ATTORNEY GENERAL



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ANGELA M. GOAD  
S. MORGAN FAULKNER  
REBECCA W. GOODMAN  
ASSISTANT ATTORNEYS GENERAL  
1024 CAPITAL CENTER DRIVE, SUITE 200  
FRANKFORT KY 40601-8204  
PHONE: (502) 696-5453  
FAX: (502) 573-1005  
[Angela.Goad@ky.gov](mailto:Angela.Goad@ky.gov)  
[Samantha.Faulkner@ky.gov](mailto:Samantha.Faulkner@ky.gov)  
[Rebecca.Goodman@ky.gov](mailto:Rebecca.Goodman@ky.gov)

1. Reference the Airview Utilities, LLC's Notice of Surrender and Abandonment of Utility Property (Airview Surrender and Abandonment Notice), paragraph 1 where the Company states that the utility property is located near the Elizabethtown, Kentucky city limits.
  - a. Provide the name of the owner(s) of Airview Utilities, LLC.
  - b. Do the owners of Airview Utilities, LLC own any other sewer utilities? Provide a detailed list of the other sewer utilities owned.
  - c. Have the owners of Airview Utilities, LLC ever abandoned any other utility? If so, provide a detailed list of all other abandoned utilities, including the Public Service Commission Case Number if applicable.
  - d. Provide the exact distance that the Airview Wastewater Treatment Plant (Treatment Plant) and collection system are from the city limits of Elizabethtown.
  - e. Are the Treatment Plant and collection system closer in distance to any other sewer treatment provider other than the City of Elizabethtown?
2. Reference the Airview Surrender and Abandonment Notice, paragraph 2 to answer the following questions:
  - a. Provide a detailed response explaining what caused Airview Utilities to be unable to meet the financial obligations to its vendors, suppliers, and service entities.
  - b. Provide a breakdown of all the Treatment Plant's expenses for each of the last five years.
  - c. Provide the tangible and intangible compensations that have been provided to the owners of Airview for the past five years.
  - d. Provide a full and complete list of Airview's creditors, all debts that are outstanding to the creditors, and a narrative explaining the reason for each debt.

- e. Provide a detailed explanation as to why Airview did not make the referenced significant upgrades to the Treatment Plant previously.
- f. Airview proposes that the Treatment Plant needs significant upgrades such as a new chlorine contact tank, dechlorination equipment, a new flo-meter, and tertiary lagoon cleaning. Provide a detailed cost for each of the suggested upgrades.
- g. Airview states that it is unable to adequately serve its ratepayers and will be unable to protect the waters of Kentucky. Is the Treatment Plant currently in compliance with all state and federal laws and regulations? Provide any and all notice of violations that Airview has received from the Kentucky Division of Water, and any other state or federal entity, and if applicable, Agreed Orders or resolutions of same.
- h. Airview states that “it appears economically prudent to dismantle the Airview WWTP and connect it to an existing sanitary sewer system instead of requiring Airview’s ratepayers to bear the cost of these upgrades.” Provide a detailed narrative and explain what exactly Airview is proposing. For example, is Airview proposing to dismantle the Airview Treatment Plant and have all the individual homeowners hook up to another sewer system, have another entity take over the Treatment Plant, connect the Treatment Plant to another sewer system, etc.?
- i. Provide the name of the “existing sanitary sewer system” that Airview proposes to take over the sewer system needs for its ratepayers.

3. Reference the Airview Surrender and Abandonment Notice, paragraph 3 to answer the following questions:
  - a. Airview states that it has suffered significant difficulty in obtaining payment for its services, and this difficulty has contributed substantially to Airview's inability to pay for the needed upgrades to the Airview Treatment Plant. Explain in detail what the significant difficulty has been in obtaining payment.
  - b. Indicate whether Airview has used a collection agency and, if so, the name and address of the collection agency used.
  - c. Provide the total number of late payments received for calendar year 2015 and calendar year 2016.
  - d. Provide the total number of disconnections and reconnections for calendar year 2015 and calendar year 2016.
4. Reference the Airview Surrender and Abandonment Notice, paragraph 4 to answer the following questions:
  - a. Provide a detailed list of Airview's monthly expenses.
  - b. Provide a detailed list of Airview's monthly revenue.
5. Reference the Airview Surrender and Abandonment Notice generally to answer the following:
  - a. Provide a list of entities that Airview has contacted in regards to taking control and/or operation of the Treatment Plant, and how each entity has responded to the inquiry. Provide all documentation from the contact.
  - b. Provide any and all contracts that Airview has entered with any entity to own and/or operate the Treatment Plant.

- c. Airview states that the customers are currently paying a monthly fee of \$41.36 for sewage treatment. Is Airview aware of what the monthly fee for sewage treatment will be after the abandonment? If so, provide the monthly fee amount.



*Certificate of Service and Filing*

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Talina R. Mathews, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail to:

Katie M Glass  
Stites & Harbison  
P. O. Box 634  
Frankfort, KY 40602-0634

Robert C Moore  
Stites & Harbison  
P. O. Box 634  
Frankfort, KY 40602-0634

this 16<sup>th</sup> day of August, 2016.

  
Assistant Attorney General