

COMMONWEALTH OF KENTUCKY

RECEIVED

BEFORE THE PUBLIC SERVICE COMMISSION

NOV 30 2016

In the Matter of:

AIRVIEW UTILITIES, LLC'S NOTICE OF
SURRENDER AND ABANDONMENT OF
UTILITY PROPERTY

PUBLIC SERVICE
COMMISSION

CASE NO. 2016-00207

**ANSWERS OF AIRVIEW UTILITIES, LLC TO
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION**

Comes Airview Utilities, LLC ("Airview"), by counsel, and for its Answers to Commission Staff's Second Request for Information, states as follows:

REQUEST FOR INFORMATION NO. 1: Refer to Airview's Answers to Post-Hearing Data Requests, Item 1, Attachment A. For the Hazelrigg & Cox, LLP invoice submitted to Marty Cogan, Airview, dated November 6, 2013, describe what the \$4,177.28 "previous balance" amount represents (i.e., describe the work performed or services rendered associated with this amount). Supply the documentation supporting the description of the amount.

ANSWER: See Attachment A to Airview Utilities, LLC's Answers to Post-Hearing Data Requests filed in the above-styled action on October 25, 2016, which contains copies of the invoices issued by Hazelrigg & Cox, LLP for January, February, March, May, June, July, August, September, October, and November of 2012, and the invoices issued for January, February, March, April, May, June, July, August, September, October, November, and December of 2013. As indicated in Airview Utilities, LLC's Answers to Post-Hearing Data Requests, Airview was unable to locate the invoices issued for April and December of 2012. The entries set forth on these invoices describe the work performed and time associated with each entry. Work performed for Airview by Hazelrigg & Cox, LLP prior to the dates of these

invoices would have included representing Airview in proceedings before the Public Service Commission, including a proceeding to amend its tariff, discussions with the Kentucky Division of Water, pending litigation, and other miscellaneous matters.

REQUEST FOR INFORMATION NO. 2: Refer to Airview's Answers to Post-Hearing Data Requests, Item 2, Attachment B. Supply all supporting source documentation for each loan amount listed and each loan amount paid, including but not limited to journal entries, cancelled checks, correspondence (including electronic mail messages), and receipts. Additionally, for each loan, describe the reason for the loan, including the application of the loan funds by Airview.

ANSWER: The loans referred to on Airview's Answers to Post-Hearing Data Requests, Item 2, Attachment B, were not documented by promissory notes, and Airview is not provided with copies of cancelled checks with its bank statements. Airview also does not have correspondence concerning the loans or receipts. Airview's accountant, Pat Logsdon, would have made journal entries reflecting these loans, but he recently sold his business to another company, and his old files have been placed in storage. Mr. Logsdon has been requested to retrieve the requested documents from storage.

With respect to the reason for the loans, each loan made by Brocklyn Utilities was to maintain cash flow. With respect to the loans made by Coolbrook Utilities, the following provides the use of the funds: 11/18/08 loan – borrowed to pay attorney, 06/04/09 – borrowed to pay accountant, 07/30/09 – borrowed for letter or credit, 05/19/10 – borrowed to maintain cash flow, 09/03/14 – borrowed to purchase chemicals, 01/06/15 – borrowed to pay for electric, and 03/20/15 – borrowed to purchase chemicals.

REQUEST FOR INFORMATION NO. 3: Refer to Airview’s Answers to Post-Hearing Data Requests, Item 3. Identify each person who has possession of any of the books and records of Airview, including but not limited to customer account information, correspondence with the Kentucky Division of Water (“DOW”), and correspondence with vendors.

ANSWER: Linda Wood with respect to account information and Lawrence Smither with respect to correspondence with the Kentucky Division of Water and vendors.

REQUEST FOR INFORMATION NO. 4: Refer to Airview’s Answers to Post-Hearing Data Requests, Item 4, and Lawrence Smither’s testimony during the October 12, 2016 hearing.

a. Mr. Smither testified that the wastewater treatment plant serving the Airview system, which was installed in 1969, was meant to be a temporary solution to provide service for 20 to 25 years.¹ He further identified a need either for the Airview system to be connected to a regional system or for the existing wastewater treatment plant to be replaced.² State whether Airview asked Eric M. Carrico, PE, to include an analysis of an interconnection with a regional system as part of his March 2016 report. If it did not request Mr. Carrico to include an analysis of an interconnection, state why it did not make the request.

ANSWER: Mr. Carrico was requested to review the condition of the current wastewater treatment plant and determine whether it was beyond its useful life. He was also requested to provide an estimate of the cost to replace the wastewater treatment plant. Airview did not believe it is within the scope of the operation of the wastewater treatment plant to analyze and determine the steps necessary and the cost to connect to a trunk line of one of the local sanitary sewer systems.

¹ October 12, 2016 VR at 9:27:30 to 9:28:05.

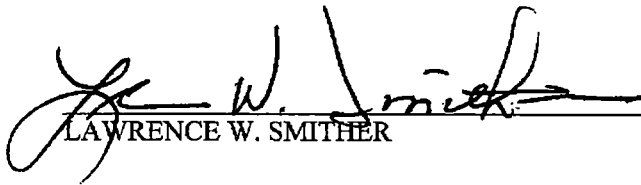
² October 12, 2016 VR at 9:53:10 to 9:54:35.

b. Identify the steps necessary for an interconnection of the Airview system with the Elizabethtown system and provide a cost estimate for each step.

ANSWER: Airview does not know the steps necessary to connect the Airview collection system with the Elizabethtown system or any other system, and does not have sufficient knowledge to provide a cost estimate.

VERIFICATION

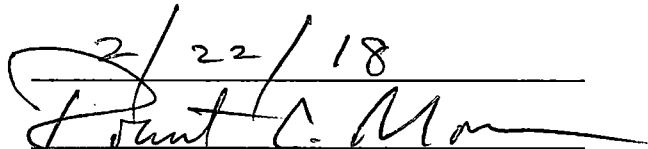
I, Lawrence W. Smither, on behalf of Airview Utilities, LLC, have read the foregoing Answers of Airview Utilities, LLC to the Commission Staff's Second Request for Information, and hereby state and affirm that the answers contained herein are true and correct to my knowledge and belief.

 MEMBER
LAWRENCE W. SMITHER

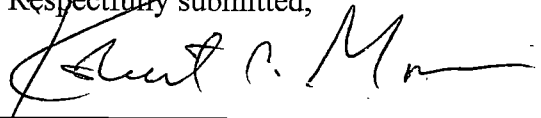
COMMONWEALTH OF KENTUCKY)
)
COUNTY OF FRANKLIN)

The foregoing instrument was acknowledged before me this 30th day of November, 2016, by Lawrence W. Smither as Member of Airview Utilities, LLC, a Kentucky limited liability company, on behalf of said company.

My commission expires:

2/22/18

NOTARY PUBLIC

Respectfully submitted,

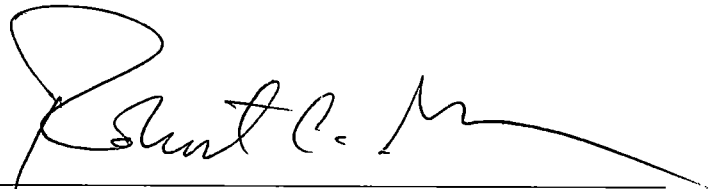


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COUNSEL FOR AIRVIEW UTILITIES, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing of Answers of Airview Utilities, LLC to the Commission Staff's Second Request for Information were served by electronic mail, on this 30th day of November, 2016 upon:

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