

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF THE ADAIR	)	
COUNTY WATER DISTRICT TO ISSUE	)	
SECURITIES IN THE APPROXIMATE	)	
PRINCIPAL AMOUNT OF \$5,405,000 FOR THE	)	CASE NO.
PURPOSE OF REFUNDING CERTAIN	)	2020-00148
OUTSTANDING OBLIGATIONS OF THE	)	
DISTRICT PURSUANT TO THE PROVISIONS	)	
OF KRS 278.300 AND 807 KAR 5:001	)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION  
TO ADAIR COUNTY WATER DISTRICT

Adair County Water District (Adair District), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due on within seven days of the date of this request. Pursuant to the Commission's Orders in Case No. 2020-00085,<sup>1</sup> issued March 16, 2020, and March 24, 2020, Adair District SHALL NOT FILE the original paper copy of all requested information at this time, but rather shall file original paper copies within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

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

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<sup>1</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

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 response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Adair District shall make timely amendment to any prior response if Adair District 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 Adair District fails or refuses to furnish all or part of the requested information, Adair District shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

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, Adair District 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 Adair District's response to Commission Staff's First Request for Information (Staff's First Request), Item 1.a., in which Adair District states that the amount of water used for system flushing is "determined by metering the water that is flushed through the master meters" and that water lost due to line breaks is "determined using

the same way - the master meters are read daily and we subtract any flushing that may have occurred and determine how much would be attributed to any line breaks.”

a. State whether Adair District determines its water used for flushing by metering it separately, with a separate meter that only measures the water used for flushing, each time that it engages in flushing or whether Adair District determines the amount used for flushing by measuring the flow through the master meter.

b. If Adair District determines the amount of water used for flushing by measuring the flushing with a separate meter, explain in greater detail how Adair District then uses that information to determine the water attributable to line breaks.

c. If Adair District determines the amount of water used for flushing by measuring the flow through the master meter, then provide an explanation of how Adair District distinguishes between water sold, water used for flushing, and water lost, including water attributable to line breaks.

d. Provide an explanation of why an amount for unaccounted-for water is placed in line 20, under water use, and not on line 27, under water loss, of Adair District’s 2018 Annual Report form, page 57.

2. Refer to Adair District’s response to Staff’s First Request, Item 1.b.; the Excel file named 2010-2016\_Yearly\_Water\_Loss\_Totalsxlsx.xlsx at Tab 2018. Provide a reconciliation of the 2018 totals for the columns titled leaks and unaccounted Loss with the water loss amounts reported in Adair District’s 2018 annual report water statistics page 57.

3. Identify and describe each circumstance under which the use of water by Adair District is considered to be “flushing” as that term is used in tabs 2016, 2017, 2018,

and 2019 of the Excel file named 2010-2016\_Yearly\_Water\_Loss\_Totalsxlsx.xlsx produced in response to Staff's First Request, Item 1.

4. State whether Adair District measures and documents water used for flushing contemporaneously as it engages in flushing, and if so, explain how. If Adair District does not measure and document its flushing contemporaneously with the flushing, explain how it keeps track of the usage attributable to flushing for reporting purposes.

5. Provide all documents for the years 2018 and 2019 in which Adair District recorded the water used for flushing that were prepared contemporaneously with the flushing activity.

6. Explain why the volume of water used for flushing by Adair District varies so significantly from month to month, e.g. Adair District reported that it used over 12 million gallons for flushing in April 2018, whereas it reported that it only used approximately 4.4 million gallons in April 2019 and approximately 2 million gallons in August 2019.

7. State whether Adair District contends that its water used for flushing in years 2016, 2017, 2018, and 2019 is high as compared to the water used for flushing by other similarly situated utilities water districts. If Adair District does not contend that its water used for flushing is high, explain why it does not believe so. If Adair District does contend that its water used for flushing is high as compared to other similarly situated utilities, explain why Adair District's water used for flushing is high.



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Kent A. Chandler  
Executive Director  
Public Service Commission  
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DATED JUL 01 2020

cc: Parties of Record

Case No. 2020-00148

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