

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF LEXINGTON-)	
FAYETTE URBAN COUNTY GOVERNMENT)	
REVISING ITS MONTHLY SEWER USER FEE)	CASE NO.
AND TAP-ON CONNECTION FEES TO)	2022-00186
JESSAMINE-SOUTH ELKHORN WATER)	
DISTRICT)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Lexington-Fayette Urban County Government (LFUCG), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on July 29, 2022. The Commission directs LFUCG to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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 the person supervising the preparation of the response on behalf of the entity that the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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

LFUCG shall make timely amendment to any prior response if LFUCG obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which LFUCG fails or refuses to furnish all or part of the requested information, LFUCG 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, LFUCG 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 any workpapers or calculations used in determining the amount of increase in the sewer treatment charged to Jessamine-South Elkhorn Water District.
2. Provide copies of LFUCG's three most recent audit reports.
3. Provide a comparative statement of operations that indicates the year-to-year change, in percent, for each revenue and expense item attributed to sewer treatment operations.
4. Provide cost support for the tap-on or connection fees.

5. Explain whether the tap-on or connection fees yield only enough revenue to pay for the expenses incurred, as required by 807 KAR 5:011, Section 10(2).

6. Provide a detailed explanation of the proposed tap-on or connection fees.

7. Provide a detailed explanation of how the revenues from the tap-on or connection fees are expended.

8. Cite any legal authority allowing a local government to charge in excess of the actual cost of installing equipment and facilities necessary to physically connect a property to the sewer system.

9. For the period 2019 to present, provide by year and by type of tap-on or connection fee, the number and dollar amount of tap-on or connection fees that have been assessed by LFUCG to Jessamine-South Elkhorn Water District.

10. Refer to the Commission's June 24, 2022 Order, Appendix B. Provide a copy of the federal consent decree that LFUCG is currently under.

11. Refer to the Commission's June 24, 2022 Order, Appendix B. For the email dated June 1, 2022, Point 4 states that LFUCG uses the U.S. City Average Consumer Price Index for All Urban Consumers (CPI) for the last 12 months ending each April as its CPI.

a. Explain how the components of the U.S. City Average Consumer Price Index relate to the expenses incurred by LFUCG for the monthly sewer fee.

b. Explain how the components of the U.S. City Average Consumer Price Index relate to the expenses incurred by LFUCG for the tap-on fee.

c. Explain whether the component weights in the calculation of the CPI align with the weighting of LFUCG's expenses. For example, if the fuel component of the

CPI is 5 percent of the total; provide support that the fuel component for LFUCG is also 5 percent of its total expenses. Do this for each component comprising the CPI.



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Public Service Commission
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DATED JUL 14 2022

cc: Parties of Record

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