

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF MORGAN)	
COUNTY WATER DISTRICT FOR THE)	
ISSUANCE OF A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO)	CASE NO.
CONSTRUCT A WATER SYSTEM)	2022-00245
IMPROVEMENTS PROJECT AND AN ORDER)	
AUTHORIZING THE ISSUANCE OF SECURITIES)	
PURSUANT TO THE PROVISIONS OF KRS)	
278.020, KRS 278.300, AND 807 KAR 5:001)	

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

Morgan County Water District (Morgan District), 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 October 28, 2022. The Commission directs Morgan District 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

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).

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.

Morgan District shall make timely amendment to any prior response if Morgan District 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 Morgan District fails or refuses to furnish all or part of the requested information, Morgan 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, Morgan 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 Morgan District's response to Commission Staff's First Request (Staff's First Request), Item 1(a). Provide documentation regarding the estimated water loss of approximately 28 percent for the four specific sections of waterline proposed to be replaced and explain how that estimate was made.

2. Refer to Morgan District's response to Staff's First Request, Item 1(c). State the source(s) of information for the estimated useful life of 62.5 years for the proposed new waterlines. Provide written copies of same, if any.

3. Provide documentation or sources of reference in support of Morgan District's assertion that the useful life of the water lines at issue is approximately 30 years.

4. Refer to Morgan District's response to Staff's First Request, Item 2. State an estimated number of repairs that would likely be needed for all the damaged waterlines, and what the estimated total cost would be to perform all of those repairs. (An actual estimate is required, regardless of uncertainties involved. Providing a range of numbers of repairs, from greatest to least, is acceptable.)

5. Refer to Morgan District's response to Staff's First Request, Item 2. Explain in greater detail how the estimated cost of \$2,500–\$4,000 for a single repair to a water line was calculated.

6. Refer to Morgan District's response to Staff's First Request, Item 10 and Item 13. Given the relatively low estimated total cost of repairing the 200 water meters to extend the remaining useful life of the meters another ten years (200 meters at a cost of \$75 a piece equals \$15,000, in addition to the time and expense of substituting the meters), explain why replacing the meters is the most reasonable least-cost alternative to repairs.

7. Refer to Morgan District's response to Staff's First Request, Item 11. Regardless of Commission regulations (not recommendations, as stated in Morgan District's response) for testing/calibrating or replacement, state the estimated remaining useful life of any of the 200 meters that are presently in working order.

8. Refer to Morgan District's response to Staff's First Request, Item 13. Explain how the estimated \$75 average cost for repairing or refurbishing meters was calculated. If there are any additional costs not included in the original estimated average cost, explain what those costs are and how that affects Morgan District's estimated cost of repairing or refurbishing the meters.

9. Refer to Morgan District's response to Staff's First Request, Item 13. The answer provided (approximately \$75 to repair or refurbish each meter, in addition to the time and expense of substituting the meters, for which no estimate was given) was incomplete. Provide an estimate of how much the time and expense of substituting the meters will affect the total cost of repairing/refurbishing the 200 meters in question.

10. Refer to Morgan District's response to Staff's First Request, Item 13. State how many meters Morgan District currently has available for use as a substitute if it is required to repair or refurbish the 200 old meters.

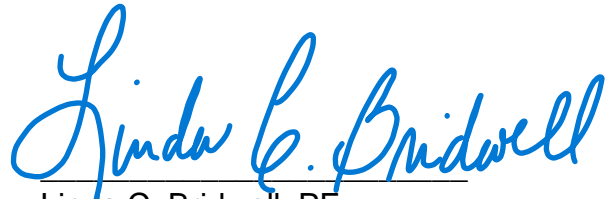
11. If Morgan District anticipates having to purchase substitute meters to perform repairs, state how many it would have to purchase and what the anticipated total cost would be.

12. If known, state what portion of the 200 meters will require repairs, and what portion will require refurbishment.

13. Explain the difference in costs (if any) between repairing or refurbishing a water meter.

14. Refer to Morgan District's response to Staff's First Request, Item 15. When Morgan District refers to the savings realized with the use of radio transmitters, confirm

that all meters in Morgan District are being read by a single person in only three days, and not just a portion of all meters.



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DATED OCT 12 2022

cc: Parties of Record

Case No. 2022-00245

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