Ernie Fletcher Governor

Teresa J. Hill, Secretary Environmental and Public Protection Cabinet

Christopher L. Lilly Commissioner Department of Public Protection

Ronald J. Barrow Assistant General Manager Northern Kentucky Water District 2835 Crescent Springs Road P. O. Box 18640 Erlanger, KY 41018-0640



Commonwealth of Kentucky **Public Service Commission** 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

October 17, 2006

RE: Case No. 2005-00148

Please see enclosed data request from Commission Staff in the above case.

If you need further assistance, please contact Mark Frost at (502) 564-3940 ext. 274.

Sincerely,

Beth O'Donnell Executive Director

BOD/sh Enclosure

KentuckyUnbridledSpirit.com



Mark David Goss Chairman

> John W. Clay Commissioner

Ernie Fletcher Governor

Teresa J. Hill, Secretary Environmental and Public Protection Cabinet

Christopher L. Lilly Commissioner Department of Public Protection

Honorable John N. Hughes Attorney at Law 124 West Todd Street Frankfort, KY 40601



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October 17, 2006

Honorable David Edward Spenard Assistant Attorney General Office of the Attorney General Utility & Rate Intervention Division 1024 Capital Center Drive Suite 200 Frankfort, KY 40601-8204

John W. Clay Commissioner

Chairman

Mark David Goss

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Sincerely,

Beth O'Donnell **Executive Director**

BOD/sh Enclosure



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY)WATER DISTRICT FOR (A) AN ADJUSTMENT OF)RATES; (B) A CERTIFICATE OF PUBLIC)CONVENIENCE AND NECESSITY FOR)IMPROVEMENTS TO WATER FACILITIES; AND)(C) ISSUANCE OF BONDS)

CASE NO. 2005-00148

COMMISSION STAFF'S FIFTH INFORMATION REQUEST TO NORTHERN KENTUCKY WATER DISTRICT

Pursuant to Administrative Regulation 807 KAR 5:001, Commission Staff requests that Northern Kentucky Water District ("NKWD") file the original and 8 copies of the following information with the Commission within 14 days of this request, with a copy to all parties of record. Each copy of the information requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. 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.

1. Refer to NKWD's Petition for Rehearing at 1.

a. List each municipal water system that NKWD has acquired and that had customers whose water meters are located inside a building.

b. For each municipal water system listed above, state the number of customers who receive water service through meters located inside a building and the date when NKWD acquired the system.

c. Provide all rules, municipal ordinances, written policies, and contracts that discuss each municipal water system's policies regarding the location of meters inside a customer's building and a customer's responsibilities and obligations toward the maintenance of that meter and the service line that connects the water utility's distribution line to the meter.

2. At page 1 of its Petition for Rehearing, NKWD states that "the District currently moves such meters to the customer's property line or curb when there is an opportunity to do so."

a. Describe the circumstances under which an opportunity to move a customer's meter exists.

b. State who is responsible for the cost related to relocating the water meter when NKWD relocates it to the customer's property line or curb.

c. Provide all of NKWD's written policies and procedures that relate to the practice discussed above.

d. If no written policy or procedure relating to the practices discussed above exists, describe how NKWD determines that a customer's water meter should be relocated and the procedures that it uses to make the relocation.

e. State the total number of meters that were originally located within a building that NKWD has relocated since January 1, 1995.

f. State for each calendar year since January 1, 1995, the number of meters that were originally located within a building that NKWD has relocated,

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3. Provide a breakdown of NKWD's average cost, which NKWD estimates at \$500, to relocate a water meter from inside a building to the customer's property line or curb.

4. Assume for the following questions that a customer who has a water meter located in his or her building is responsible for the service line that connects NKWD's water distribution main to the customer's meter.

a. Identify the party (e.g., customer, utility) who owns the meter.

b. Identify the party who is responsible for the maintenance of the water meter. Explain why.

c. Identify the party who is responsible for the installation of the water meter. Explain why.

5. State whether NKWD currently installs any meters in a customer's building. If yes, describe the conditions under which NKWD makes such installation.

6. Administrative Regulation 807 KAR 5:066, Section 1(6), defines "service connection" as "the line from the main to the customer's point of service" and "include[s] the pipe fittings and valves necessary to make the connection." State whether NKWD is proposing to amend this definition to "the line from the main to the customer's point of service at the boundary line of the customer's property." Explain.

7. Administrative Regulation 807 KAR 5:066, Section 1(7), defines "service line" as "the water line from the point of service to the place of consumption." State whether NKWD is proposing to revise this definition to "the water line from the boundary of the customer's property to the inlet side of the meter and from the outlet side of the meter to the place of consumption." Explain.

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8. At page 3 of its Petition for Rehearing, NKWD states that it "has no easement or other authorization to enter the customer's property or building to maintain or replace the service line." Explain why Administrative Regulation 807 KAR 5:006, Section 19, does not provide such authority.

9. Describe how NKWD currently performs meter readings for those customers whose meters are located inside a building.

10. Describe all maintenance activities that NKWD has performed on customer service connections since January 1, 2003 in those instances where the meter is located inside the customer premises.

11. Identify the total cost of repairs that NKWD has made since January 1, 2003 for repairs to facilities damaged by leaking service lines that connect to customer meters located inside a customer's premises.

12. For each calendar year since December 31, 2002, state the number of service line replacements that NKWD has made and the total cost of these replacements.

13. Describe the actions that NKWD generally takes before acquiring a municipal water system to ascertain the type, quality, and workmanship of the municipal system's water mains.

14. State whether at the time NKWD acquired the municipal water systems that are now part of the water district's water system, NKWD possessed or retained the necessary means to determine the type, quality, and workmanship of the municipal system's water mains.

16. Describe NKWD's policy regarding its responsibilities toward and those of customers with meters inside a customer's building prior to the filing of NKWD's

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proposed tariff. Provide all written policies and procedures that NKWD followed prior to the filing of its proposed tariff in this proceeding.

17. State whether NKWD currently allows water meters to be placed inside of buildings. If yes, describe the circumstances under which this practice is permitted.

18. a. State whether NKWD has ever permitted water meters to be placed inside of buildings.

b. If NKWD has previously permitted water meters to be placed inside of buildings, state the time period during which it permitted this practice and state the reasons why NKWD no longer permits the practice.

19. At pages 3 and 4 of its Petition for Rehearing, NKWD states: "It also has no means of determining if there is a leak inside the building on the inlet side of the meter, so it is possible a leak could go undetected for a period of time, causing damage to the interior of the structure."

a. State whether such an event has ever occurred.

b. If such has occurred, state the number of times that this event has occurred, the date of each occurrence, and the estimated quantity of water lost as a result of the leak. Describe how the leak was discovered and the corrective actions that NKWD took in response.

Beth & Donnell Executive Director Public Service Commission P.O. Box 615 Frankfort, Kentucky 40602

DATED: <u>October 17, 2006</u>

cc: Parties of Record