COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Alleged Failure of the City of Danville to Comply with KRS 278.160 and 278.180 and the Commission's Order of August 10, 1994 in Administrative Case No. 351 DEC 3 1 2008 PUBLIC SERVICE COMMISSION

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Case No. 2008-00176

## Data Requests to Lake Village Water Association, Inc. from the City of Danville

The City of Danville ("Danville"), pursuant to the Commission's scheduling order hereby

submits the attached requests for production of documents and written interrogatories to Lake

Village Water Association, Inc. ("Lake Village").

Respectfully submitted,

ATTORNEYS FOR THE CITY OF DANVILLE (m)By: F. cm-

SHEEHAN, BARNETT, DEAN & PENNINGTON, P.S.C. 114 S. Fourth St. P. O. Box 1517 Danville, KY 40423-1517 859-236-2641

Katherine K. Yunker YUNKER & ASSOCIATES P.O. Box 21784 Lexington, KY 40522-1784 859-255-0629 fax: 859-255-0746

## CERTIFICATE OF FILING AND SERVICE

I hereby certify that on this the <u>31st</u> day of December, 2008, the original and ten (10) copies of these data requests were hand delivered for filing with and service on the Commission, and a copy was sent by first-class U.S. mail for service on:

John N. Hughes, Esq. 124 W. Todd St. Frankfort, KY 40601 Ronald Russell, Chairman Parksville Water District 10711 Lebanon Rd. P. O. Box 9 Parksville, KY 40464 Danny Noel, President Lake Village Water Association, Inc. 801 Pleasant Hill Dr. P. O. Box 303 Burgin, KY 40310

William L. Stevens, Esq. Taylor & Stevens 326 W. Main St. P. O. Box 901 Danville, KY 40423 Mike Sanford, Manager Lake Village Water Association, Inc. 801 Pleasant Hill Dr. P. O. Box 303 Burgin, KY 40310

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Harold C. Ward Garrard County Water Association, Inc. 315 Lexington Rd. P. O. Box 670 Lancaster, KY 40444

Attorney for the City of Danville

- 1. As to all wholesale water supply contracts between Danville and you that have been in effect on or after January 1, 1994:
  - a. Provide a copy of each contract and amendment thereto; and
  - b. If not apparent on the face of the contract(s), the effective date of each contract or amendment or the date it was superseded in effect by a subsequent contract.
- 2. State whether you contend that Danville was <u>not</u> permitted under its contract with Lake Village to charge what it has actually charged Lake Village during the period from January 2005 through the present. As to any contention that Danville was <u>not</u> permitted under the contract to so charge Lake Village:
  - a. identify each charge not permitted and the period during which the allegedly unpermitted charge was made;
  - b. state what you contend was not permitted about that charge (e.g., improper rate, charge miscalculation);
  - c. state what you contend should have been charged; and
  - d. provide the basis (including any supporting documents) for your contention.
- 3. State whether you contend that Danville was <u>not</u> permitted for reasons other than its contract with Lake Village to charge what it has actually charged Lake Village during the period from January 2005 through the present. As to any such contention:
  - a identify each charge not permitted and the period during which the allegedly unpermitted charge was made;
  - b. state what you contend was not permitted about that charge (e.g., improper rate, charge miscalculation);
  - c. state what you contend should have been charged; and
  - d. provide the basis (including any supporting documents) for your contention.
- 4. If you contend that there is a difference between what you were actually charged (and paid) and what you should have been charged and paid:

- a. Provide a per-billing-period comparison of what you were charged (and paid) and what you contend you should have been charged. (The tabulation attached to Parksville's Initial Data Request in this proceeding is an example of such a comparison.)
- b. Calculate the net amount of alleged overcharge and state whether it is your contention that this is the amount that Danville should refund to you.
- c. Provide all data, input files, intermediate results, or other information necessary to replicate the comparison and calculation provided. If the analysis was prepared as a spreadsheet or other electronic file in tabular form, provide the electronic file with any formulas intact; and
- d. Identify the source of any numerical data used in the analysis you provide.
- 5. Does Lake Village contend that it is not bound by a provision in its contract with Danville that rates charged to the other wholesale or industrial consumers of Danville are modified, the rates to Lake Village are automatically modified to conform to such rates to other consumers? If so, provide the basis (including any supporting documents) for that contention.
- 6. Danville's information is that it calculated increases for purchasing-power adjustments to the GCWA, Lake Village, and Parksville rates on or around

September 16, 2005 September 6, 2006 August 17, 2007

and applied those adjusted rates to the billing invoice next sent out. (See Case No. 2007-00405, Danville 5/2/06 Response to Req. 2, 11(b)&(c)). Do you contend that were other such changes or that these changes occurred at a different time? If so, identify such other changes or when such changes occurred in your bills from Danville.

7. Do you contend that any modification to your rates on or after July 1, 1998 (or after initiation of service), exceeds an adjustment for the purchasing power of the dollar in accordance with KRS 83A.075 and as computed by the Finance and Administration

Cabinet (now the Governor's Office for Local Development) — whether for the respective year or cumulatively since July 1, 1998 (or initiation of service)? If so, provide the basis (including all workpapers, calculations, and data) for that contention.

- 8. Did you receive notice as to any of the rate modifications? If so, describe the notice (or provide a copy thereof) and state when it was received.
- State whether you received actual notice in 1997 of the contents or subject of Danville Ordinance No. 1536.
  - a. If so, describe how, when, and what notice was received.
  - b. If not, but you received actual notice of Ordinance No. 1536 <u>after</u> 1997, describe how, when, and what notice was received.
- 10. Does Lake Village contend that notice of Danville Ordinance No. 1536 was not published by the *Danville Advocate Messenger* on or about September 30, 1997? If so, provide the basis (including any supporting documents) for that contention.
- 11. Provide a copy of any notice or submission to the Commission made by Lake Village relating to a wholesale water supply contract with Danville.
- 12. What (if anything) is it that you expected Danville to do that it did not do? How did any difference between expectation and what actually occurred affect you? How could that effect be avoided or ameliorated in the future?
- 13. Whether as part of its budget process, in making its annual reports to the Commission, or otherwise, does Lake Village routinely review its wholesale water bills from Danville or communicate with Danville about rates or volume of water purchased or needs? If so,
  - a. describe any such routine review or communication, including its frequency, how long it has been the routine, and who at Lake Village is responsible for the process; and
  - b. provide any documentation related to or generated by that process.
- 14. Do you have (or since January 1, 2000, have you had) contracts by which you obtain goods or services (including treated or untreated water) that provide for (a) purchasing

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power or other automatic adjustments or (b) routine, periodic adjustments to prices or rates? If so, please provide a copy of the current (or most recently effective) version of each such contract.