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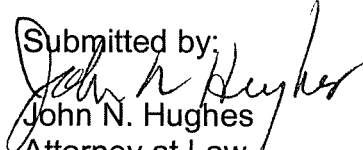
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Alleged Failure of the City of Danville To Comply) Case No. 2008-00176
with KRS 278.160 and 278.180 And the
Commission's Order of August 10, 1994 In)
Administrative Case No. 351

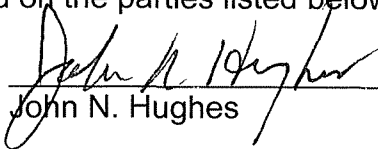
Supplemental Data Response of Parksville Water District

Parksville Water District, by counsel, pursuant to the Commission's Order of December 19, 2008 submits the following responses to Danville's data requests.

Submitted by:

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Certificate:

I certify that a copy of this pleading was served on the parties listed below by first class mail the 9th day of February, 2009.


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REPLY TO NON-RESPONSIVE PRODUCTION OF DOCUMENTS ALLEGATION

Danville alleges that Parksville did not respond to the “production part” of its question 1. That question asked:

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b. if not apparent on the face of the contract(s), the effective date of each contract or amendment or the date it was superseded in effect by a subsequent contract.

Parksville’s response was:

Witness: Feather, Webb

Response: All contracts are on file with the PSC and should be in the possession of Danville as a party to each of those contracts.

The documents Danville requested are or should be in its possession, because it is a party to those contracts. They are also public records on file with the PSC, as such need not be provided. The response was accurate and responsive.

Danville next claims that Parksville did not respond to question 2. That question asked:

2. Refer to the per-billing-period tabulation that you attached to your Initial Data Request, comparing actual charges and what you contend you should have been charged.
 - a, Did you pay the amounts shown as actually charged? Were amounts refunded other than that shown between the rows for Jun-08 and Jul-08? If so, what amounts were refunded and when?
 - b. Are there other amounts actually charged that you contend were in error or not permitted? If so, please identified those other amounts.
 - c. What amount do you contend is the net alleged overcharge? Do you contend that this is the amount that Danville should refund to you?
 - d. As to each item that you contend is not the correct charge, state what you contend was incorrect about that charge (e.g. improper rate, charge

miscalculation).

- e, identify each charge that you contend was improper and describe the respective alleged impropriety (e.g., not permitted under the contract between Danville and you) and provide the basis (including any supporting documents) for your contention(s).
- f. Provide all data, input files, intermediate results, or other information necessary to replicate the comparison and calculation(s) 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
- g. Identify the source of any numerical data used in the analysis you provide.

Witness: Feather, Webb

Response: a) Yes;

- b) The attached schedule, corrected since the Initial Data Response, shows the erroneous billing and the double charge for one meter. Parksville has been unable to determine if other charges were erroneously applied.
- c) See attached schedule
- d) See attached schedule
- e) See attached schedule
- f) See attached schedule
- g) All data came from bills submitted to Parksville by Danville

Parksville identified in this response the double meter charge that it alleges is improper as requested in (b). By not identifying any other amounts billed, it excluded any other erroneous charges. The response is complete and identifies the only additional erroneous charge Parksville is aware Danville has charged.

Parksville response to 2c refers to the schedule of overcharges attached to Response 2. It includes the erroneous rate and the double meter charge. That schedule also provides the total amount of overcharge by Danville.

Item 2d requests the incorrect charge, which is listed on the schedule attached to Item 2.

Item 2e requests the identity of the erroneous charge, which is listed on the schedule in Item 2.

Item f indicated that there is no spreadsheet. All information is available to Danville because the information was taken from its bills submitted to Parksville, which are available to Danville.

Danville next objects to response 4, which asked:

4. Danville's information is that it calculated increases for purchasing-power adjustments to the OCWA, 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. 200700d05, 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.

Witness: Feather, Webb

Response: A double charge for a meter fee was also added to Parksville's bills. See attached schedule for dates and amounts

The question asks for Parksville to identify charges other than the purchasing power adjustment that were included on the bills. Parksville identified the double meter billing.

As to the allegations that Parksville's responses to items 3, 5, and 8 are not satisfactory, Parksville believes that the answers address the questions asked and provide the information available to it.

For these reasons, Parksville requests that its answers be deemed responsive and that the Commission reject Danville's attempt to divert attention to the primary issue in this case, which is its failure to comply with the Commission's regulations.

RESPONSE 1

RESPONSES TO SUPPLEMENTAL DATA REQUESTS

1. As to all wholesale water supply contracts between Danville and you that have been in effect on or after January 1, 1994:
Are the three contracts now accessible in a Commission database through the URL < [http://psc.ky.gov/trfl List filing.aspx?ID=TFS2008-00677](http://psc.ky.gov/trfl>List%20filing.aspx?ID=TFS2008-00677)> the contracts to which you refer in your Response #1?
 - b. Explain why the contracts accessible through the URL listed in part (a) are designated as tariff filings of Parksville.
 - c. Are the three contracts referenced in part (a) the contracts submitted with the letter dated 9/8/08 from John N. Hughes (attached to Response #8)? If not, please provide a copy of each contract submitted.
 - d. Is the submission covered by the 9/8/08 letter from John N. Hughes the only submission or notice to the Commission made by Parksville relating to a wholesale water supply contract with Danville?
 - e. Please refer to the 9/8/08 letter from John N. Hughes (attached to Response P8).
 - i. Identify (and if not done so previously, produce) any wholesale water supply contracts between Parksville and Danville previously on file with the Commission. As to each such contract, state whether it was kept by the Commission as part of its records of tariffs and special contracts.
 - ii. Identify the contracts for which there were "copies on file" that "had not been signed" and, for each such contract, whether it was on file with the Commission as part of its records of tariffs and special extracts.
 - iii. Explain why Parksville submitted the contracts, including whether it has an obligation to file or notify the Commission of such contracts.

Witness: Feather, Webb

Response: a. Yes, to the extent that the PSC has made the documents available electronically.

b. Parksville is unaware of why or how the PSC determines the designation of filings made with it.

c. Yes

d. There was a copy of the contract that had been filed with Parksville's last rate case during an RDA project. This is the contract that apparently is unsigned.

e. i. Parksville had previously filed the three contracts with the PSC, however, it only learned during the course of this proceeding that the contracts were unsigned. Parksville filed the signed contracts on September 8, 2008. Parksville is unaware of whether the Commission keeps those contracts in its files as a tariff or special contract.

ii. Parksville cannot specifically identify the unsigned contracts on file with the PSC.

iii. Parksville filed the contract in response to the Commission staff's request made at the conference in this matter with all parties. Until that time, Parksville believed the contract had been filed with the Commission. The parties to the contract have a responsibility to file the contracts with the Commission.

RESPONSE 2

2. Refer to the per-billing-period tabulations that you attached to your initial Data Request and to your Response #2,
- a. Are the months shown in the initial column of each row the time period in which Parksville (i) received the bill, (ii) paid the bill, .or (iii) received the water in the amount listed in the second column?
 - b. Response #2b states that the schedule attached was "corrected since the Initial Data Response." To what does this refer? What corrections were made as between the referenced schedule and the schedule attached to Response #2?
 - c. Regarding the "double charge for one meter" or "double charge for a meter fee" alleged in Responses #2b and #4:
 - i. Describe what you mean by a "double charge."
 - ii. What was the period of time for this alleged "double charge"?
 - iii. For each month, state the amount you contend should be refunded specific to this alleged "double charge."
 - d. The numbers in the second column for water supplied (in cu. ft.), once converted to gallons, are substantially higher than the water purchases Parksville has reported annually to the Commission. For example, the 110,422,000 gallons of water purchased reported to the Commission in the annual report for 2007, is approximately 7 million gallons is than the total indicated for the same year in the attached tabulations. Explain this systematic discrepancy.

Witness: Feather, Webb

Response: a. Months listed are the month Parksville purchased the water from Danville.

b. The schedule is updated to the last erroneous bill submitted to Parksville and to reflect the double meter charge that was not identified in the prior schedule. The "corrections" only updated information. However, in attempting to respond to Question c, Parksville determined that Danville had made an error in calculating the bill to Parksville. The attached schedule shows the months of the meter charge and the amount that should have been billed. The attached schedule covers the period August 2005 through July 2008. The Rate Amount, column 3, is the bill amount calculated on the original rates before August 2005. The Calculated Charge Amount, column 4, is the amount of the

bill actually calculated using the rates Danville advises were actually in effect after July 2005. Column 5, Difference is the difference between the Rate Amount and the Calculated charge amount. The Surcharge Amount, Column 6, is the surcharge for the original rate amount. The Calculated Surcharge Amount, Column 7, is the surcharge amount is based on the Calculated Charge Amount. Column 8 is the difference between the surcharge amounts. Column 10 is the total difference. You will notice a slight difference between the totals on this chart and the previous chart. The August 2007 and September 2007 bills are slightly different when actually calculating the bill based on the rate in effect at that time.

c. (i) Parksville is served through one master meter. Danville began billing for two meters on the December 2006 bill, rather than using the total cubic feet from the one meter to calculate the bill. This continued through the July 2008 bill, thus the reference to the “double billing”.

ii. See attached schedule

iii. See attached schedule

d. The amounts in the cubic feet column are the amount of cubic feet purchased from Danville during a calendar month. The amount listed on the PSC report is the amount purchased during the period for which the District bills its own customers. This period is not a calendar month. There is also adjustment for meter reading lag time. The two amounts are never going to be the same, and in some months the totals can vary significantly.

Parksville Water District
August 2005 through July 2008 Billing Calculations

Month	Cu. Ft	Rate Amount	Calculated Charge Amount	Difference	Surcharge Amount	Calculated Surcharge Amount	Difference	Total Difference
Aug-05	1,099,440	10,800.90	11,153.20	352.30	2,160.18	2,230.49	70.31	422.61
Sep-05	1,099,440	10,800.90	11,153.20	352.30	2,160.18	2,230.49	70.31	422.61
Oct-05	1,099,440	10,800.90	11,153.20	352.30	2,160.18	2,230.49	70.31	422.61
Nov-05	317,580	3,594.77	3,711.93	117.16	718.95	742.40	23.45	140.61
Dec-05	1,259,600	12,258.36	12,658.22	399.86	2,451.67	2,531.43	79.76	479.62
Jan-06	1,349,900	13,080.09	13,506.77	426.68	2,616.02	2,701.10	85.08	511.76
Feb-06	1,147,700	11,240.07	11,606.70	366.63	2,248.01	2,321.17	73.16	439.79
Mar-06	806,100	8,131.51	8,396.68	265.17	1,626.30	1,679.30	53.00	318.17
Apr-06	1,256,300	12,228.33	12,627.21	398.88	2,445.67	2,525.23	79.56	478.44
May-06	896,400	8,953.24	9,245.23	291.99	1,790.65	1,848.98	58.33	350.32
Jun-06								
Jul-06								
Aug-06	3,117,740	29,167.43	31,138.60	1,971.17	5,833.49	6,227.67	394.18	2,365.35
Sep-06	1,172,640	11,467.02	12,241.96	774.94	2,293.40	2,448.34	154.94	929.88
Oct-06	1,191	11,633.65	12,419.84	786.19	2,326.73	2,483.92	157.19	943.38
Nov-06	1,269,400	12,347.54	13,181.98	834.44	2,469.51	2,636.34	166.83	1,001.27
Dec-06	49,270		780.54					
	1,281,700		13,301.48					
	1,330,970	12,907.83	14,082.02	1,174.19	2,581.57	2,816.34	234.77	1,408.96
Jan-07	47,170		750.27					
	1,242,600		12,921.62					
	1,289,770	12,532.91	13,671.89	1,138.98	2,506.58	2,734.31	227.73	1,366.71
Feb-07	49,960		790.48					
	1,375,200		14,209.83					
	1,425,160	13,764.96	15,000.31	1,235.35	2,752.99	2,999.99	247.00	1,482.35
Mar-07	48,480		769.15					
	1,279,000		13,275.25					
	1,327,480	12,876.07	14,044.40	1,168.33	2,575.21	2,808.82	233.61	1,401.94
Apr-07	41,100		662.79					
	1,054,000		11,089.37					
	1,095,100	10,761.41	11,752.16	990.75	2,152.28	2,350.37	198.09	1,188.84
May-07	52,910		833.00					
	1,307,200		13,549.21					
	1,360,110	13,173.00	14,382.21	1,209.21	2,634.60	2,876.38	241.78	1,450.99
Jun-07	48,060		763.10					
	1,394,900		14,401.21					
	1,442,960	13,926.94	15,164.31	1,237.37	2,785.39	3,032.80	247.41	1,484.78
Jul-07	46,830		764.61					
	1,226,600		13,095.98					
	1,273,430	12,384.21	13,860.59	1,476.38	2,476.84	2,771.90	295.06	1,771.44
Aug-07	46,430		758.70					
	1,126,900		12,102.37					
	1,173,330	11,473.30	12,861.07	1,387.77	2,294.66	2,572.30	277.64	1,665.41

RESPONSE 3

3. In addition to the letter and enclosures attached to Response #6, did Parksville receive in August-September 2007 a copy of a proposed Danville ordinance that included a provision for purchase power adjustments? (It is believed that the proposed ordinance — which became Danville Ordinance No 1536 — was sent to Parksville along with a rate study and a covering letter dated on or about August 27, 1997.

Witness: Feather, Webb

Response: Parksville cannot locate and is unaware of any notice in August-September, 2007 of a proposed Danville ordinance. Parksville is unaware of how an ordinance dated 2007 could have been sent to it with a rate study dated August, 1997. If the question means the ordinance was provided to Parksville in 1997, Parksville has previously responded to that issue.