

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE  
COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY )  
WATER DISTRICT FOR A CERTIFICATE OF ) CASE NO.  
CONVENIENCE AND NECESSITY FOR THE ) 2009-00262  
CONSTRUCTION OF SUBDISTRICT F WATER MAIN )  
EXTENSIONS, FINANCING AND SURCHARGE )

**NORTHERN KENTUCKY WATER DISTRICT'S RESPONSE TO THE  
COMMISSION STAFF'S INFORMATION REQUEST**

Northern Kentucky Water District, by counsel, provides the following response to the Commission's order of August 28, 2009.

Q1. Refer to NKWD's Response to the Commission's Order of July 13, 2009, Item 7. State the number of surcharges that NKWD will assess to Pendleton County Water District.

A1. Witness: Harrison

RESPONSE: NKWD will assess the Pendleton County Water District one surcharge.

Q2. If NKWD proposes to assess Pendleton District only one surcharge:

a. Explain why the assessment of a single surcharge is reasonable.

A2a. Witness: Harrison

RESPONSE: The assessment of a single surcharge is reasonable because the connection to the Pendleton County Water District (PCWD) provides an emergency feed and will not provide for additional supply to the PCWD or provide service for new customers. This connection to the PCWD allows the District to help maintain the current level of service to the PCWD during the new road construction along US 27, which is where the PCWD's current master meter is located. The Kentucky Transportation Cabinet's contractor will be completing a new water main towards the end of the project that will abandon the Northern Kentucky Water District's existing water line feed to the PCWD. The project contractor will be running heavy equipment along the existing water line during the project construction over approximately the next 12 months that

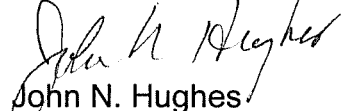
could cause the existing main to break. The Subdistrict F feed along Siry Road will provide a redundancy feed to the PCWD during the US 27 roadway construction project.

- b. State whether this treatment is consistent with the treatment that NKWD has applied to Bullock Pen Water District in its assessment of the Subdistrict C Surcharge. Explain.

A2b. Witness: Harrison

RESPONSE: The assessment of a single surcharge to the PCWD through the Subdistrict F, Siry Road main is consistent with the treatment that NKWD has applied to Bullock Pen Water District in its assessment of the Subdistrict C Surcharge. The Bullock Pen Water District assessment of the Subdistrict C surcharge provided the Bullock Pen Water District with a supply to meet growth to new customers. As detailed in the response for question 2a, the Siry Road meter connection to the PCWD is to provide a redundancy connection to a portion of the PCWD's service area that is not currently fed by a Subdistrict main. It would not be reasonable to assess 10 surcharges when the Subdistrict F feed is not designed to be a connection for the addition of new customers and only helps maintain PCWD's current level of service.

SUBMITTED BY:

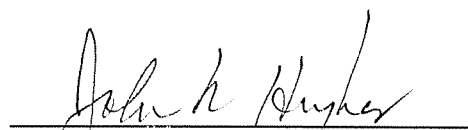
  
John N. Hughes  
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ATTORNEY FOR NORTHERN  
KENTUCKY WATER DISTRICT

CERTIFICATE OF SERVICE:

I certify that a copy of this Petition was served on the parties listed below by First Class mail the 4<sup>th</sup> day of September, 2009.

David Spenard  
Assistant Attorney General  
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