

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION INTO EXCESSIVE	)	CASE NO.
WATER LOSS BY KENTUCKY'S	)	2019-00041
JURISDICTIONAL WATER UTILITIES	)	

COMMISSION STAFF'S SECOND POST-HEARING REQUEST FOR INFORMATION  
TO NORTH MANCHESTER WATER ASSOCIATION

North Manchester Water Association (North Manchester Water), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due within 14 days of the date of this request. Pursuant to the Commission's Orders in Case No. 2020-00085,<sup>1</sup> issued March 16, 2020, and March 24, 2020, North Manchester Water SHALL NOT FILE the original paper copy of all requested information at this time, but rather shall file original paper copies within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response 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

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<sup>1</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

association or a 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.

North Manchester Water shall make timely amendment to any prior response if North Manchester Water 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 North Manchester Water fails or refuses to furnish all or part of the requested information, North Manchester Water 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, North Manchester Water 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 North Manchester Water's Responses to Appendix H of the November 22, 2019 Order, filed September 23, 2020<sup>2</sup> (North Manchester Water's

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<sup>2</sup> Responses of North Manchester Water to Appendix H of Commission's Order filed November 22, 2019 (filed Sept. 23, 2020), at unnumbered page 3.

Response), Item 1.a. Provide an update on the number of thefts that have been discovered and the number that have been prosecuted.<sup>3</sup>

2. Refer to North Manchester Water's Response, Exhibit E, Water Audit. Exhibit E includes monthly water loss forms.

a. The first sentence in the response states that the average water loss for 2019 is 4399 percent. Explain whether this figure should read 43.99 percent.

b. The January 2019 form states that the water loss was 49.31 percent, however, February 2019 the water loss was 9.04 percent, and the March 2019 the loss was 52.06 percent. A review of each month in 2019 and 2020 illustrates the water loss percentage appears to fluctuate from the low of 9.04 percent (March 2019) to the high of 61.07 percent (January 2020). Explain how the information that was entered into the monthly water loss forms that North Manchester Water relied upon to develop the water line loss percentage in each water loss form.

c. Provide the job title and name of the individual whose job is responsible for the information provided in these water loss forms.

d. Explain the procedures that are in place to ensure all the information in these water loss forms are correct and accurate.

e. In North Manchester Water's Response, Exhibit E, North Manchester Water stated, "the water loss is trending to our goal of 20 percent."

(1) Explain this statement due to the wide range of fluctuations of the water line loss percentages in these water loss forms.

(2) Provide the September 2020 water loss form.

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<sup>3</sup> Order (Ky. PSC, Nov. 22, 2019), Appendix H at 1.

f. Explain why there are only three months (April–June 2020) out of a 20-month series of water loss reports with Excavation Damages water loss and no Line Break water loss.

(1) Explain if the contractors or individuals that cause the damage to the water mains are being billed for the lost water.

(2) Provide the rate at which the lost water is billed if the contractors or individuals that cause the damage to the water mains are being billed.

(3) Explain if the contractors or individuals that cause the damage to the water mains are not being billed.

g. Explain how the water loss amounts for Line Breaks, Line Leaks, and Excavation Damages are determined each month.

h. Explain how Line Breaks, Line Leaks, and Excavation Damages to the older asbestos cement mains are repaired.

i. Provide the Board of Director's meeting minutes showing that the utility has determined that, "The benefits to replace to be more beneficial compared to continuing making repairs once they have occurred." Also, provide an update on the current status of this project.

3. Refer to North Manchester Water's Response, Exhibit E.

a. Provide the numerical data that has been used to calculate the totals in the category of Line Break Loss for each month that is listed on the water loss form provided in this exhibit.

b. Provide the numerical data that has been used to calculate the totals in the category of Line Leak Loss for each month that is listed on the water loss form provided in this exhibit.

c. Provide the numerical data that has been used to calculate the totals in the category of Excavation Damages Loss for each month that is listed on the water loss form provided in this exhibit.

4. Refer to North Manchester Water's Response, Exhibit F. Explain whether and when North Manchester Water intends to amend its tariff regarding fire department usage reporting.

5. Refer to North Manchester Water's response, Exhibit G.

a. Explain the response "Accounts Payable are taken care of by an outside accountant."

(1) Provide the name and business address of the outside accountant.

(2) Explain whether the outside accountant has any additional relationship with North Manchester Water.

(3) Explain whether this accountant acts as North Manchester Water's collection agent.

b. Provide any contract or documentation that explains duties of this outside accountant and how this outside accountant takes care of the accounts payable.

6. Refer to North Manchester Water's response, Exhibit I.

a. Provide the date when this Emergency Response Information was compiled.

b. Provide the date when this Emergency Response Information was updated.

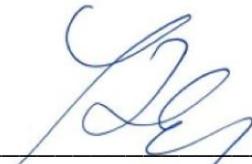
7. Refer to North Manchester Water's Response. Provide an update for the recommendations and Orders given to all parties of Case No. 2019-00041 in the Commission's Order entered November 22, 2019, specifically those on pages 6, 7, and 8.

8. Refer to North Manchester Water's Response, Exhibit E. Explain whether North Manchester Water has evaluated its need for a base rate increase in reference to the findings in Exhibit E and its statement that it plans to solicit funding to replace aging infrastructure.

9. Explain whether North Manchester Water has developed a written plan to improve the operations and financial health of the utility, and if so, provide the plan. Provide the Board minutes for the Board approval of the written plan to improve North Manchester Water's operations and financial health.

10. Explain whether North Manchester Water has developed a written water loss detection plan, and if so, provide the plan.

11. Explain whether the written water loss detection plan, if one has been developed, accounts for sufficient personnel to staff the needs of the plan.



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DATED OCT 05 2020

cc: Parties of Record

Case No. 2019-00041

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