

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SALT RIVER WATER DISTRICT AND KENTUCKY)
TURNPIKE WATER DISTRICT JOINT PETITION) CASE NO. 92-169
FOR APPROVAL OF MERGER AGREEMENT AND)
RETAIL RATE ADJUSTMENT)

O R D E R

IT IS ORDERED that the Intervenors, Dovie Sears, et al. ("Intervenors") shall file the original and 12 copies of the following information with the Commission with a copy to all parties of record no later than October 8, 1992. The Intervenors shall furnish with each response the name of the witness who will be available to respond to questions concerning each item of information requested should a public hearing be scheduled.

Refer to John M. Bennett, Jr.'s testimony, page 2.

1. Prior to the agreement reached between Salt River Water District ("Salt River") and Kentucky Turnpike Water District ("Kentucky Turnpike"), October 10, 1986, were there any negotiations with the city of Shepherdsville or the city of Mount Washington regarding possible use of other water treatment facilities in the area?

Refer to John M. Bennett, Jr.'s testimony, page 5.

2. Provide a copy of the cost benefit analysis you prepared wherein you concluded that the North Project would benefit both Kentucky Turnpike (60 percent) and Salt River (40 percent).

3. Provide copies of documentation, if available, to support the ways set forth on pages 5 and 6 of your testimony in which Kentucky Turnpike increased the cost of the North Project without benefiting Salt River.

Refer to Foster Sander's testimony, page 3.

4. Provide the final costs of the North and South Projects.

Refer to Foster Sander's testimony, page 5.

5. Provide an amortization schedule showing the additional costs borne by Salt River beyond the restructured financing provided by Kentucky Infrastructure Authority.

6. Who determined what portion of the North Project would be paid for by Kentucky Turnpike? Explain.

7. Explain why Kentucky Turnpike was not required to pay a larger share of the cost of the North Project.

8. State what percentage of the total cost of the North Project should have been apportioned to Kentucky Turnpike.

9. Explain why Kentucky Turnpike's contribution to the North Project was a fixed amount.

10. Explain why Kentucky Turnpike was able to make the decisions regarding a surcharge and the engineering firm to be employed with regard to the North Project, when Salt River was obligated to bear the majority of the cost.

11. State who was in attendance at the meeting held to discuss the North Project.

12. Explain why Kentucky Turnpike's \$326,000 contribution was withheld until completion of the North Project.

13. State whether there is still pending litigation related to the North Project. If so, please describe.

14. Refer to Salt River's response to Supplemental Data Request from Intervenors Dovie Sears, et. al. dated August 7, 1992, Items 3c and 3d, and your testimony wherein you indicate that the final cost of the North Project exceeded the original estimate. Explain the discrepancy.

Done at Frankfort, Kentucky, this 1st day of October, 1992.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:



Executive Director