

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE )  
WHOLESALE WATER SERVICE RATES OF ) CASE NO. 98-283  
THE CITY OF OWENTON, KENTUCKY )

ORDER

IT IS ORDERED that the City of Owenton, Kentucky ("Owenton") shall file no later than November 16, 1998, the original and 8 copies of the following information with the Commission, with a copy to all parties of record. Each copy of the information requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. Where 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 Order.

1. Refer to Owenton's Response to the Commission's Order of August 17, 1998, Item 12(a), Page 2.

a. Are any of the expenses listed on the page entitled "Meters and things pertaining to meters" related to the "two large meters" that are used to serve Tri-Village Water District ("Tri-Village")?

b. If yes,

(1) Which of the expenses are attributed to the two large meters used to serve Tri-Village?

(2) For each expense listed in (1), describe the nature of the expense.

2. Refer to Owenton's Response to the Commission's Order of August 17, 1998, Item 14. Describe the duties, aside from meter reading, of the following employees:

- a. Athelene Glove
- b. David Clifton
- c. Terry Kincaid
- d. Marshall Gibson
- e. Bobby E. O'Banion
- f. Anthony Callaw

3. Refer to Direct Testimony of Scott D. Taylor at 2.

a. Has Owenton recalculated its revenue requirement and prepared revised schedules reflecting these revisions?

b. (1) If yes, provide the new revenue requirement and revised schedules.

(2) If no, when does Owenton expect to file this information with the Commission?

4. Refer to Owenton's Response to the Commission's Order of August 17, 1998, Item 33, and to Direct Testimony of Scott D. Taylor, Exhibit 1. Provide all

workpapers, show all calculations and state all assumptions used to make the correct allocations for chemical expenses.

5. Refer to Owenton's Response to the Commission's Order of August 17, 1998, Item 34, and to Direct Testimony of Scott D. Taylor, Exhibit 1. Provide all workpapers, show all calculations and state all assumptions used to make the correct allocations for electricity expenses.

6. Refer to Owenton's Response to the Commission's Order of August 17, 1998, Item 35, and to Direct Testimony of Scott D. Taylor, Exhibit 1. Provide all workpapers, show all calculations and state all assumptions used to make the correct allocations for sampling expenses.

7. Refer to Owenton's Response to the Commission's Order of August 17, 1998, Item 25(b), at 1.

a. Explain how the allocations or allocation factors listed below were determined. Provide all workpapers, show all calculations and state all assumptions used to make these allocations.

- (1) Debt Service Factor
- (2) Tri-Village Allocation Factor
- (3) Tri-Village Grant Allocation
- (4) Tri-Village Loan Allocation

b. (1) Provide all workpapers and show all calculations used to determine "Owenton O&M."

(2) What cost allocations, if any, were made when determining "Owenton O&M"? For each cost allocation listed, describe how the allocation was determined.

8. a. List the water districts and water associations for which Mr. Taylor has prepared revenue requirements, cost allocations, or a cost of service study.

b. List the municipal utilities for which Mr. Taylor has prepared revenue requirements, cost allocations, or a cost of service study.

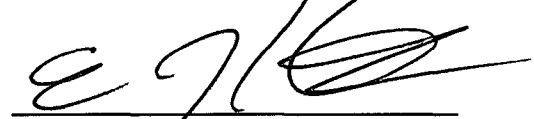
9. How long has Mr. Taylor been employed as a consultant to Owenton?

10. Provide Mr. Taylor's curriculum vitae.

11. Refer to Direct Testimony of D. Scott Taylor at 2. Identify the recognized and accepted methodologies with which Mr. Taylor's methodology is in accord.

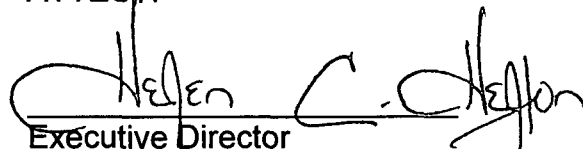
Done at Frankfort, Kentucky, this 5th day of November, 1998.

PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:



Helen C. Coffey  
Executive Director