

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF:** )  
 )  
**THE APPLICATION OF KENTUCKY-AMERICAN ) CASE NO. 2012-00520**  
**WATER COMPANY FOR AN ADJUSTMENT OF )**  
**RATES ON AND AFTER JANUARY 27, 2013 )**

**KENTUCKY-AMERICAN WATER COMPANY'S**  
**DATA REQUESTS TO LFUCG**

In accordance with the Public Service Commission's ("Commission") January 22, 2013 Order, Kentucky-American Water Company ("KAW") propounds the following data requests upon the Lexington-Fayette Urban County Government ("LFUCG"). LFUCG shall respond to these requests in accordance with the provisions of the Commission's January 22, 2013 Order and the instructions set forth below.

**INSTRUCTIONS**

1. In producing documents and things responsive to these requests, LFUCG ("you") shall respond in accordance with the requirements set forth in the Commission's January 22, 2013 Order and the production shall be organized and labeled to correspond with the data requests to which they are responsive, regardless of whether these documents and things are possessed directly by you or by your present or past agents, employees, companies, licensees, representatives, investigators, or attorneys.

2. If the attorney-client privilege or work product immunity is asserted as to any document or thing, or if any document or thing is not produced in full, produce the document or thing to the extent the request for production is not objected to, and, in so doing, state the following:

- (a) the specific ground(s) for not producing the document or thing in full;
- (b) the basis for such a claim of privilege or immunity and the facts supporting that basis; and
- (c) fully identify the information or material contained within the document or thing for which such privilege or immunity is asserted, including as applicable, the name of any document or thing; its date; the name, address and job title of each author or other person involved in its preparation, each addressee and each person to whom a copy of the document or thing has been sent or received; and the general nature of the document or thing (e.g., memoranda, letter).

3. Where an objection is made to a request, state all grounds upon which your objection is based.

4. If, after exercising due diligence, you are unable to determine the existence of any documents or things falling within a specific request, you shall so state in your written response.

5. With respect to each of the following requests, you shall identify and/or produce all documents which are known to you or which can be located or discovered by you through diligent effort on your part, including, but not limited to, all documents which are in your business, personnel, and/or personal files or those of your present or past employees or contained or stored within a computer in your possession or those of your present or past representatives, attorneys, or accountants, or accessible to you or your present and past employees, or its representatives, attorneys, or accountants.

6. Whenever used herein, the singular shall be deemed to include the plural and the plural shall be deemed to include the singular and the disjunctive shall be deemed to include the

conjunctive and the conjunctive shall be deemed to include the disjunctive so as to elicit all information potentially responsive to the request for production.

### **REQUESTS**

1. Please describe fully LFUCG's efforts to select vendor(s) to perform the billing services that KAW had previously provided. As part of this response:
  - (a) Explain fully how LFUCG conducted the selection process;
  - (b) Provide a timeline of the selection process;
  - (c) List the names of the persons involved in the selection process;
  - (d) State whether LFUCG selected the least cost provider(s); and
  - (e) Explain fully how LFUCG attempted to minimize the cost of the billing services.
  
2. Following notification that KAW would no longer provide billing services to LFUCG, please state whether LFUCG issued requests for proposals or solicited bids for billing services and printing and mailing services.
  - (a) If the answer is yes, please provide a copy of the request(s) for proposals or bid solicitation(s).
  - (b) If the answer is yes, please explain fully how LFUCG advertised the request(s) for proposals and/or solicited bids, or otherwise notified potential vendors of the need for billing services and printing and mailing services.
  
3. Following notification that KAW would no longer provide billing services to LFUCG, please identify each and every entity that LFUCG considered utilizing for billing services and printing and mailing services.
  
4. To the extent not provided in response to Item No. 3, please identify each and every entity that contacted LFUCG, whether in writing or otherwise, regarding providing billing services or printing or mailing services to LFUCG.
  
5. Please provide a copy of all documents, including but not limited to email, electronic files, and documents in paper medium in the possession of LFUCG, its Council Members, LFUCG's Mayor's office, or LFUCG's Vice-Mayor's office that refer or relate to the analysis and/or scoring of bids, bid tabulations, or responses to request(s) for proposals for billing services and printing and mailing services.

6. Please refer to page 5 of William O'Mara's testimony. Please provide a copy of the two agreements referenced on lines 16-19.
7. Please refer to page 5 of William O'Mara's testimony. Identify the vendor referenced on lines 18-19 that provides printing and mailing services.
8. Please explain fully why LFUCG contracted with a separate vendor to provide printing and mailing services.
9. Please identify each and every service or component of service that Greater Cincinnati Water Works and/or the printing and mailing services vendor is providing that KAW was not providing to LFUCG under its most recent contracts.
10. Does LFUCG project rate increases for its sanitary sewer services in the next ten years?
  - (a) If the answer is yes, provide the most recent rate projections available through the latest year for which the projections are available.
11. Does LFUCG project rate increases for its landfill user fees in the next ten years?
  - (a) If the answer is yes, provide the most recent rate projections available through the latest year for which the projections are available.
12. Does LFUCG project rate increases for its water quality management fees in the next ten years?
  - (a) If the answer is yes, provide the most recent rate projections available through the latest year for which the projections are available.
13. Please list each and every rate increase for sanitary sewer service, landfill user fees, and water quality management fees since January 1, 2008. For each increase please provide:
  - (a) The effective date of the increase;
  - (b) The dollar amount of the increase;
  - (c) The percentage of the increase.
14. Provide a copy of any models, presentations, reports, or studies performed by LFUCG or on LFUCG's behalf that refer or relate to rate increases in sanitary sewer service, landfill user fees, and water quality management fees since January 1, 2008.

15. What are the current estimated capital expenditures required to comply with the consent decree reached between the LFUCG and the United States Environmental Protection Agency? With respect to these expenditures, please fully describe:
  - (a) The time frame for the expenditures; and
  - (b) How LFUCG plans to finance the expenditures.
16. Has LFUCG identified what the impact to sanitary sewer service fees, landfill user fees, water quality management fees, taxes or other revenues sources will be to provide for the financing referred to Item No. 15?
  - (a) If the answer is yes, please provide that information.
17. State the amount of capital expenditures LFUCG has incurred for its storm sewer and sanitary sewer systems since January 1, 2008.
18. State the amount of capital expenditures LFUCG estimates incurring for its storm sewer and sanitary sewer systems in the next ten years. If available, please provide the estimated amount for each year for each system.
19. Provide the number of complaints LFUCG has received from customers, whether in writing, by telephone, in person, or otherwise, regarding sanitary sewer service bills, landfill user fees, and water quality management fees since KAW discontinued providing billing services.
20. Please admit or deny that during the period KAW was providing billing services to LFUCG, LFUCG received calls from KAW's customers with questions regarding their water bill or water service.

Dated: April 17, 2013

Respectfully submitted,

Lindsey W. Ingram III  
Monica H. Braun  
STOLL KEENON OGDEN PLLC  
300 West Vine Street, Suite 2100  
Lexington, Kentucky 40507-1801  
Telephone: (859) 231-3000

BY: Monica H. Braun

Attorneys for Kentucky-American Water Company

