

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

Application of Water Service Corporation)
of Kentucky for a General Adjustment) Case No. 2015-00382
in Existing Rates)

**WATER SERVICE CORPORATION OF KENTUCKY’S REQUEST FOR
INFORMATION TO INTERVENOR ATTORNEY GENERAL
OF THE COMMONWEALTH OF KENTUCKY**

In accordance with the Public Service Commission’s (“Commission”) December 9, 2015, Order, Water Service Corporation of Kentucky propounds the following data requests upon the Intervenor Attorney General of the Commonwealth of Kentucky (“AG”). The AG shall respond to these requests in accordance with the provisions of the Commission’s December 9, 2015 Order, applicable regulations, and the instructions set forth below.

INSTRUCTIONS

1. In producing documents and things responsive to these requests, the AG (“you”) shall respond in accordance with the requirements set forth in the Commission’s December 9, 2015 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 predecessors in the position of Attorney General, your present or past agents, employees, companies, licensees, representatives, investigators, consultants, 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 FOR INFORMATION

1. At page 12 of his testimony, Scott Rubin refers to a set of rates that he designed and presented on Schedule SJR-2. Please provide the original source papers that were used to develop the AG proposed rates presented on Schedule SJR-2, with all formulas intact.
2. Please explain in detail how Mr. Rubin derived and determined to be appropriate the customer charges, shown on Schedule SJR-2?
3. Did Mr. Rubin or the AG consider any other rate designs other than the one presented in Schedule SJR-2? If so, please provide the original workpapers, with all formulas intact, for these other rate designs and provide a detailed description of why Mr. Rubin did not recommend any alternate rate design that was considered. If not, please explain in detail why no other rate designs were considered.
4. Are there any expenses or costs included in WSKY's proposed revenue requirement of \$2,684,749 that the AG deems as unreasonable and should be disallowed?
 - a. For each expense or cost that the AG deems as unreasonable and maintains should be disallowed, please provide a detailed explanation as to why the AG believes these expenses or costs should not be recovered in WSCK rates.

5. Please provide all invoices, documents, workpapers, or other information that has been generated by the AG, his employees, and all of the AG's hired consultants to support the amount of expenditures related to this proceeding.
 - a. The invoices should contain detailed descriptions of the services, the individual who provided the service, the total cost or expense for the service, the amount of time billed for each service, and the hourly billing rate.
 - b. Please provide a copy of all contracts or agreements entered into between the AG or his agents/employees and any consultant, independent contractor, or other individual who is providing or has provided services related to this proceeding.
6. Mr. Rubin did not propose a separate usage tier for Clinton customers over 100,000 gallons, as was done for Middlesboro customers, even though there were several Clinton customers in the test-year that consumed over 100,000 gallons per month.
 - a. Please explain in detail why Mr. Rubin did not propose a separate volumetric rate for Clinton customers over 100,000 gallons?
 - b. As calculated by the Company in Attachment A, total test-year gallons over the 100,000 gallon usage threshold is equal to approximately 1,279,049 gallons. What does Mr. Rubin believe would be the appropriate the volumetric rate be for these gallons over the usage threshold?
7. At page 12 of his testimony, Scott Rubin refers to a set of rates that he designed and presented on Schedule SJR-2, where he expressed that he designed a set of rates that moves close to consolidated pricing. When examining the rates, all rates are the same, except when it comes to the first tier of volumetric rates, where Middlesboro and Clinton volumetric rates are \$4.454 and \$4.580, respectively. If these volumetric

- rates were consolidated, the rate would be \$4.465, which is only one penny higher than the AG's proposed usage rate for Middlesboro. Please refer to Attachment A for the Company's calculations. Please explain why Mr. Rubin is not proposing using consolidated rates for the usage rates as well, since the consolidated usage rate would be so similar to the one Mr. Rubin proposed for Middlesboro?
8. Please provide all workpapers, source documents, electronic spreadsheets, and all schedules in electronic format with cells intact and that the AG, its employees, and consultants have prepared that are related to this proceeding. Please provide all spreadsheets in Microsoft Excel with formulas intact.

Respectfully submitted,

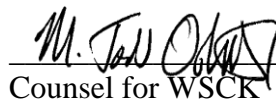


M. TODD OSTERLOH
CHARLES D. COLE
STURGILL, TURNER, BARKER & MOLONEY, PLLC
333 W. Vine Street, Suite 1500
Lexington, Kentucky 40507
Telephone No.: (859) 255-8581
tosterloh@sturgillturner.com

ATTORNEYS FOR WSCK

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that the March 1, 2016, electronic filing of this Notice of Filing is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on March 1, 2016; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of the Notice of Filing will be delivered to the Commission within two business days.



Counsel for WSCK