

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

IN THE MATTER OF:

THE ELECTRONIC APPLICATION OF BLUEGRASS )	
WATER UTILITY OPERATING COMPANY, LLC )	Case No.
FOR AN ADJUSTMENT OF RATES AND APPROVAL )	2020-00290
OF CONSTRUCTION )	

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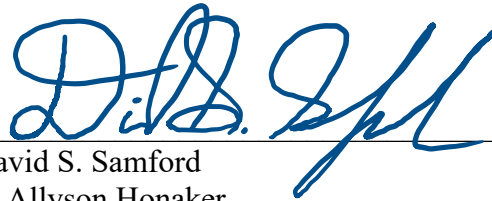
**Joint Intervenors' Supplemental Data Requests**

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Come now The Homestead Home Owners Association, Inc. ("Homestead"), Longview Homeowners Association, Inc. ("Longview"), The Deer Run Estates Homeowners Association, Inc. ("Deer Run"), Arcadia Pines Sewer Association, Inc. ("Arcadia"), Carriage Park Neighborhood Association, Inc. ("Carriage Park"), Marshall Ridge Sewer Association, Inc. ("Marshall Ridge") and Randview Septic Corporation ("Randview") (collectively, "Joint Intervenors"), by counsel, pursuant to the Commission's February 8, 2021 Amended Procedural Order, and other applicable law, and do hereby tender their Supplemental Data Requests to Bluegrass Water Utility Operating Company, LLC, to be answered on or before March 22 2021.

This 8<sup>th</sup> day of March 2021.

Respectfully submitted,



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## CERTIFICATE OF SERVICE

This will certify that the foregoing document was filed via the Commission's electronic filing system today. The undersigned hereby certifies that the electronic filing is a true and accurate copy of the documents being filed in paper medium; the electronic filing was transmitted to the Commission on March 8, 2021; there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; paper copies of this information will be hand-delivered to the Commission within thirty (30) days of the lifting of the present State of Emergency relating to the COVID-19 pandemic.

A handwritten signature in blue ink, reading "David A. Sepl", is written over a horizontal line.

*Counsel for Joint Intervenors*

# **JOINT INTERVENORS' SUPPLEMENTAL DATA REQUESTS**

## **I. DEFINITIONS AND INSTRUCTIONS**

1. With respect to each discovery request, all information is to be divulged that is within the knowledge, possession or control of the parties to whom it is addressed, including their agents, employees, advisors, consultants, attorneys and/or investigators.

2. Please identify the witness(es) who will be prepared to answer questions concerning each request.

3. These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

4. All answers must be separately and fully stated in writing under oath.

5. Where a data request calls for an answer in more than one part, each part should be separated in the answer so that the answer is clearly understandable.

6. For purpose of these discovery requests, the following terms shall have meanings set forth below:

- (a) As used herein, "document," "documentation" and/or "record," whether stated as the singular or the plural, means any course of binders, book, pamphlet, periodical, letter, correspondence, memoranda, including but not limited to, any memorandum or report of a meeting or telephone or other conversation, invoice, account, credit memo, debit memo, financial statement, general ledger, ledger, journal, work papers, account work papers, report, diary, telegram, record, contract, agreement, study, draft, telex, handwritten or other note, sketch, picture, photograph, plan, chart,

paper, graph, index, tape, data processing card, data processing disc, data cells or sheet, check acceptance draft, e-mail, studies, analyses, contracts, estimates, summaries, statistical statements, analytical records, reports and/or summaries of investigations, opinions or reports of consultants, opinions or reports of accountants, trade letters, comparisons, brochures, pamphlets, circulars, bulletins, notices, forecasts, electronic communication, printouts, all other data compilations from which information can be obtained (translated if necessary by defendants into usable form), any preliminary versions, drafts or revisions of any of the foregoing, and/or any other written, recorded, transcribed, punched, taped, filmed or graphic matter, however produced or reproduced and regardless of origin or location, in the possession, custody and/or control of the defendant and/or their agents, accountants, employees, representatives and/or attorneys. "Document" and "record" also mean all copies of documents by whatever means made, if the copy bears any other markings or notations not found on the original.

- (b) The terms "relating to," "referring to," "referred to," "pertaining to," "pertained to" and "relates to" means referring to, reporting, embodying, establishing, evidencing, comprising, connected with, commenting on, responding to, showing, describing, analyzing, reflecting, presenting and/or constituting and/or in any way involving.
- (c) The terms "and," "or," and "and/or" within the meaning of this document shall include each other and shall be both inclusive and disjunctive and shall

be construed to require production of all documents, as above-described, in the broadest possible fashion and manner.

- (d) The terms “Bluegrass Water” and “Company” shall mean the Bluegrass Water Utility Operating Company, LLC, and shall include, but is not limited to, each and every agent, employee, servant, advisor, consultant, insurer and/or attorney of Company. The term “you” shall be deemed to refer to Bluegrass Water and the Company.
- (e) The term “Commission” shall mean the Kentucky Public Service Commission.
- (f) The term “Joint Intervenors” shall mean the parties identified above as Joint Intervenors and shall include each of their employees, agents, officers, directors and representatives.
- (g) To “identify” shall mean:
  - (1) With respect to a document, to state its date, its author, its type (for example, letter, memorandum, chart, photograph, sound reproduction, etc.), its subject matter, its present location, and the name of its present custodian. The document may be produced in lieu of supplying the foregoing information. For each document which contains information as privileged or otherwise excludable from discovery, there shall be included a statement as to the basis for such claim of privilege or other grounds for exclusion.

- (2) With regard to a natural person, to state his or her full name, last known employer or business affiliation, title and last known home address.
- (3) With regard to a person other than a natural person, state the title of that person, any trade name, or corporate name or partnership name used by that person, and the principal business address of that person.
- (h) To “produce” or to “identify and produce,” shall mean that Company shall produce each document or other requested tangible thing. For each tangible thing which Company contends is privileged or otherwise excludable from discovery, there shall be included a statement as to the basis for such claim of privilege or other grounds for exclusion.
- (i) The terms “Party or Parties” shall mean any organization, person, corporation, entity, etc., which intervened in the above-captioned proceeding and shall further include the Commission Staff.

## **II. REQUESTS FOR INFORMATION**

1. Refer to your response to Staff DR-02-002. Please provide a copy of any depreciation study that was used to develop the depreciation rates upon which Bluegrass’s depreciation rates are based.

2. Refer to the letter to Mr. Wes Dement that begins on page five (5) of forty (40) of Bluegrass’s Attachment 2-PSC-03. Please provide a copy of the referenced “status report detailing improvements and whether process changes are required” for the LH system.

3. Refer to Bluegrass's "January 2021 KY System Status.xlsx." Explain why there are no entries for Arcadia Pines, Carriage Park, Marshall Ridge and Randview.
4. Confirm whether Bluegrass seeks to capitalize its recovery of Construction Design and Investigative services expense.
5. Refer to Bluegrass's "ConstructionDesign\_and\_InvestigativeServicesCosts Summary.xlsx":
  - a. Please confirm whether any of the work was performed by a company that is an affiliate or under common ownership with Bluegrass.
  - b. Please confirm how the firms providing the services were selected and retained.
  - c. Please describe the purpose of the work labeled as "surveying."
  - d. Please describe the nature of expenses that are classified as "other construction/design services."
6. Refer to Bluegrass's response to Staff DR-02-011(a). Please identify the Directors of CSWR by name.
7. Refer to Bluegrass's response to Staff DR-02-028. Please identify the criteria by which a contractor would be "pre-qualified" to bid on project.
8. Refer to Bluegrass's response to AG-DR-02-008(b). Please provide any and all information upon which you rely to support your answer.
9. Refer to Bluegrass's response to AG-DR-02-008(a) and AG-DR-02-009. Please explain how Bluegrass allocates costs "in compliance with Bluegrass's existing cost allocation methodology," but has no cost allocation manual.

10. Refer to Bluegrass's response to AG-DR-02-009. Please identify what "financial resources" are necessary to prepare a cost allocation manual.

11. Please state whether any other affiliate operating company of Bluegrass has a cost allocation manual.

12. Refer to Bluegrass's response to Joint Intervenor-DR-01-003. Please provide the audited balance sheet, and consolidated financial statement for Bluegrass Water Holding Company, LLC for the year ending December 31, 2020. If the audited version is not yet available, consider this a continuing request.

13. Refer to Bluegrass's response to Joint Intervenor-DR-01-005. Please identify any actual or potential conditions any prospective lender has, or is anticipated to, impose with regard to the outcome of this rate case.

14. Please state whether Bluegrass's capitalization should be imputed for ratemaking purposes to something less than its current actual capitalization of 100% equity?

15. Please identify whether Midwest Water Operations, LLC served any water or wastewater systems in Kentucky prior to entering into agreements for systems owned by Bluegrass.