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February 12, 2009

RECEIVED

FEB 17 2009

PUBLIC SERVICE
COMMISSION

Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Blvd
P.O. Box 615
Frankfort, KY 40602

Re: Proposed Adjustment of the Wholesale Water Service Rates of
the Frankfort Electric and Water Plant Board
Case No. 2008-00250

Dear Mr. Derouen:

Enclosed are the original and ten copies of the Intervener's List of Issues filed on behalf of Peaks Mill, Elkhorn, North Shelby and U.S. 60 Water Districts. Please file them to the record of this action and return the eleventh file-stamped copy of the first page to me in the enclosed self-addressed, stamped envelope.

Thank you very much for your attention to this matter.

Yours Truly,

MATHIS, RIGGS & PRATHER, P.S.C.

By: 

Donald T. Prather

DTP/pm
Enclosure
Dtp/wtr/us60/rate/psc ltr2

RECEIVED

FEB 17 2009

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE)
WATER SERVICE RATES OF THE FRANKFORT) CASE NO. 2008-00250
ELECTRIC AND WATER PLANT BOARD)

INTERVENER'S LIST OF ISSUES

Come Peaks Mill Water District ("Peaks Mill"), Elkhorn Water District ("Elkhorn"), North Shelby Water Company ("North Shelby") and U.S. 60 Water District of Shelby and Franklin Counties, Kentucky ("U.S. 60"), by counsel, who hereby tender their list of all issues relevant and material to this matter which should be considered at the pre-hearing conference.

1. Which Frankfort Electric and Water Plant Board ("Frankfort") water mains directly serve its wholesale customers and should therefore be included in the rate charged to wholesale customers?

a. Since Georgetown is covered by a separate, higher wholesale rate, shouldn't the 16-inch water main leading only to the Georgetown master meter and those lines necessary to serve that master meter be excluded from the rates charged to Frankfort's other wholesale class of customers?

- b. Should all of Frankfort's water mains 8 inches and smaller be excluded from the calculations of the wholesale customer rates unless such lines are the two largest mains (thereby creating looped service) serving each wholesale customer metering point?
- c. Which water mains 10 inches and larger should be included in the wholesale rate calculations since only the two largest mains leading to each metering point are necessary to provide looped, reliable service to the metering point?
- d. Should each water main serving as part of the looped service to any wholesale meter be excluded from the wholesale rate calculations to the extent that water main was paid for by the wholesale customers served by that metering point?
- e. Is it realistic to exclude all retail customers when calculating whether Frankfort's smaller water mains are needed to serve wholesale customers since the demand (peak and/or regular) of those retail customers will cause much of the capacity of those smaller lines to be used by the retail customers, resulting in wholesale customers being served through the larger lines due to the lower head in those larger lines, and all or almost all of what is not consumed by the retail customers is needed for fire protection services provided by those smaller water mains?

2. Should all or most of Frankfort's overhead storage expense be excluded from the wholesale customer rate calculations since that overhead storage is not necessary to serve the wholesale customers who have their own overhead storage?

- a. How many times have all of Frankfort's distribution pumps been out of service at the same time? How many times have all of Frankfort's distribution pumps which serve each wholesale metering point been out of service at the same time?
- b. For each instance cited in Question 2(a) above, how long were all of the respective distribution pumps out of service?
- c. For all instances cited in Question 2(a) above, was the outage due to electrical service failure? If so, why shouldn't these instances be ignored in the wholesale rate calculations because Frankfort should have emergency generator capacity to power its pumps?
- d. Does Frankfort have at least two pumps in each pump station serving each wholesale customer metering point? Is each pump capable of pumping by itself all of the water needed from that pump station?
- e. If all pumps usually serving any single wholesale customer metering point are out of service, can other pumps provide

such service by valving or other changes in Frankfort's system?


- f. If all pumps usually serving any single wholesale customer metering point are inoperable, can that metering point be valved off, and the wholesale customer served by that metering point be told to use its own overhead storage while service is restored?
- g. What is the total pumping capacity of Frankfort's system?
- h. What facts support Frankfort's statement that the average hourly consumption of the wholesale customers is not affected by those customers' overhead storage?
- i. What is the total pumping capacity of Frankfort's wholesale customers (or if not available for any customer that wholesale customer's demand), both including and excluding Georgetown?
- j. Should all overhead storage costs be excluded from wholesale rates until supported by data from a demand study on Frankfort's system?

3. Since classes of utility customers should each be charged a fair rate based upon the actual cost of serving each class, should the entire cost of the cost of service study be charged to the wholesale customers or should it be spread out among all of Frankfort's customers?

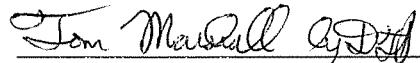
4. How is the clubhouse necessary to serve the wholesale customers in a manner which could not be provided otherwise?

Respectfully submitted,

MATHIS, RIGGS & PRATHER, P.S.C.

By:  _____

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CERTIFICATE OF SERVICE

I, the undersigned attorney, do hereby certify that a true and correct copy of the foregoing was this 12 day of February, 2009 served via fax or email, and via first class mail, postage prepaid on the following:

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