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January 19, 2010

Mr. Jeff DeRouen
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

**RE: *Application of Big Bear Wastewater, Inc. for an Adjustment of Rates
Case No. 2009-00171***

Dear Mr. DeRouen:

Please find enclosed an original and ten copies of Big Bear Wastewater, Inc.'s Response to The Dens Condominium Association's First Data Requests.

Please acknowledge receipt of this filing by placing your file-stamp on the extra copy and returning to me via our runner.

Very truly yours,

STOLL KEENON OGDEN PLLC

Deborah T. Eversole

Enclosure

cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG BEAR WASTEWATER,) CASE NO.
INC. FOR AN ADJUSTMENT OF RATES) 2009-00171

**RESPONSE OF BIG BEAR WASTEWATER, INC.
TO THE DENS CONDOMINIUM ASSOCIATION'S FIRST DATA REQUESTS**

Big Bear Wastewater, Inc. ("Big Bear"), by counsel, provides the following responses to the Dens Condominium Association's First Data Requests Issued to Big Bear Wastewater, Inc. (the "Data Requests"), and states that its witness responsible for responding to questions regarding the information contained in these answers is Richard O. Meier.

1. Please state the number of individual units in the Dens Condominiums that are served by the Big Bear WWTP.

RESPONSE: Twenty-seven.

2. Please state the number of individual units in the Treetop Condominiums that are served by the Big Bear WWTP.

RESPONSE: Twenty-four.

3. Please state the number of individual units in the Marina Townhouses that are served by the Big Bear WWTP.

RESPONSE: Eight.

4. Please state the number of individual units in the Chalets that are served by the Big Bear WWTP.

RESPONSE: Two.

5. Please state the number of individual units in the Woodland Villa(s) that are served by the Big Bear WWTP.

RESPONSE: One.

6. Please state the number of individual units in the Fisherman's Cottages that are served by the Big Bear WWTP.

RESPONSE: Nine.

7. Please state the number of individuals in the Bedroom Cottages that are served by the Big Bear WWTP.

RESPONSE: It is unclear whether this question refers to "individual units." On the assumption that it does, the answer is included in the response to Data Request No. 6.

8. Please state the number of individual units in the Fisherman's Duplex(es) that are served by the Big Bear WWTP.

RESPONSE: See Response to Data Request No. 6.

9. Please state the number of individual units in the Fisherman's Motel that are served by the Big Bear WWTP.

RESPONSE: One.

10. Please state the number of individual units in the Executive Cottage(s) that are served by the Big Bear WWTP.

RESPONSE: One.

11. Please state the number of individual units in the Log Cabin that are served by the Big Bear WWTP.

RESPONSE: One.

12. Please state the number of hook ups available for recreational vehicles and campers that are served by the Big Bear WWTP.

RESPONSE: Twelve.

13. Please state the number of dump stations that are served by the Big Bear WWTP, and identify the owner of these dump stations.

RESPONSE: There is one pump out station at the marina for the use of boats. It is owned by Big Bear Resort.

14. Please state the number of shower houses that are served by the Big Bear WWTP, and identify the owner of these shower houses.

RESPONSE: One. It is owned by Big Bear Resort.

15. Please state the number of restaurants served by the Big Bear WWTP, and identify the owner of these restaurants.

RESPONSE: There are no restaurants served by the Big Bear waste water treatment plant.

16. Please state the number of offices served by the Big Bear WWTP, and identify the owner of these offices.

RESPONSE: One. It is owned by Big Bear Resort.

17. Please state the number of pools served by the Big Bear WWTP, and identify the owner of these pools.

RESPONSE: Although no swimming pool is served by the treatment plant, there are two restrooms in the pool area that are. They are owned by Big Bear Resort.

18. Please describe in detail any loan obtained by Big Bear for which it is seeking to recover principal or interest payments through this rate case, including but not limited to the identity of

the lender, the term of the loan, the interest rate charged, any relationship or affiliation between the lender and Big Bear, and whether the loan was approved by the Public Service Commission.

RESPONSE: The loan described in the application is for twenty years at 9.5%. The lender is Big Bear Resort, a separate corporation under common ownership with Big Bear. The twenty-year, 9.5% loan was approved by the Kentucky Public Service Commission as a term of the transfer of the plant to Big Bear Wastewater in PSC Case No. 98-089.¹

19. Please provide documents reflecting or indicating the amount of water used, on a monthly basis, by recreational vehicles and campers that are served by the Big Bear WWTP.

RESPONSE: Big Bear objects to the question on the basis of relevance. Pursuant to Public Service Commission Orders, Big Bear does not now, and it never has, billed on the basis of water usage. Instead, as is reasonable, cost effective, and traditional with small sewer utilities, Big Bear bills for sewer service at a flat rate.² Water usage should not be an issue in this case for various additional reasons. First, the units for which the Intervenor requests usage information do not have separate water meters, so the usage data requested does not exist. Second, much of the water used by Big Bear Resort does not flow into the treatment plant. For example, water used to fill the swimming pools is included in Big Bear Resort's water bill. Water used for three of the fifteen hookups for recreational vehicles or campers, and for sixty campsites, is included in "water usage" for which Big

¹ *In the Matter of: The Joint Application for the Transfer of the Wastewater Treatment Plant from Big Bear Resorts, Inc. to Big Bear Wastewater, Inc.* (Order dated September 21, 1998) (citing, at pages 2-3, the \$135,753 purchase price and the note for 20 years at 9.5 percent, and approving the transfer on the proposed terms at page 4).

² Prior to PSC Case No. 97-245, Big Bear billed on the basis of fixture units.

Bear Resort is billed, but it does not go into the treatment plant.³ Third, plant capacity was predicated upon the number of fixtures (of which there are more in a residential unit than there are in an office, a recreational vehicle, etc.), not water usage. Fourth, any attempted measurement by water “usage” does not take into account the disproportionate burden on the plant caused by in the amount of phosphates that flow into the plant from residential units in the condominiums that, unlike a motel room or an office, contain such sources as clothes washing machines, garbage disposals, and dishwashers.

Without waiving this objection, Big Bear states that there is no separate water meter for recreational vehicles or campers and that, consequently, no document responsive to this request exists.

20. Please provide documents reflecting or indicating the amount of water used, on a monthly basis, by the dump stations that are served by the Big Bear WWTP.

RESPONSE: See objection to Data Request No. 19. Without waiving that objection, Big Bear states that, as there is no separate water meter to the pumpout station, no document responsive to this request exists.

21. Please provide documents reflecting or indicating the amount of water used, on a monthly basis, by the shower houses that are served by the Big Bear WWTP.

RESPONSE: See objection to Data Request No. 19. Without waiving that objection, Big Bear states that, as there is no separate water meter to the shower house, no document responsive to this request exists.

³ Three of the hookups are connected to a septic tank and are not connected to the treatment plant at all. Moreover, the effluent that does flow into the treatment plant from the campground does not contain solid waste, as it is pretreated in a septic tank.

22. Please provide documents reflecting or indicating the amount of water used, on a monthly basis, by the restaurants served by the Big Bear WWTP.

RESPONSE: Please see objection to Data Request No. 19. Without waiving that objection, Big Bear states that there are no restaurants served by the Big Bear water treatment plant.

23. Please provide documents reflecting or indicating the amount of water used, on a monthly basis, by the offices served by the Big Bear WWTP.

RESPONSE: Please see objection to Data Request No. 19. Without waiving that objection, Big Bear states that, as there is no separate water meter to the office, no document responsive to this request exists.

24. Please provide documents reflecting or indicating the amount of water used, on a monthly basis, by the pools served by the Big Bear WWTP

RESPONSE: Please see objection to Data Request No. 19. Without waiving that objection, Big Bear states that there are no pools served by the Big Bear water treatment plant. Although two restrooms in the pool area are served by the plant, they are not separately metered. Accordingly, no document responsive to this request exists.

Respectfully submitted,




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CERTIFICATE OF SERVICE

I hereby certify that, on this 19th day of January, 2010, a full and complete copy of the foregoing was sent by United States Mail, postage prepaid, to the persons listed below:

Robert C. Moore, Esq.
Hazelrigg & Cox, LLP
415 West Main Street, 1st Floor
P.O. Box 676
Frankfort, KY 40602-0606

David Edward Spenard
Assistant Attorney General
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204


Counsel for Big Bear Wastewater, Inc.

VERIFICATION

STATE OF Kentucky)
COUNTY OF Marshall)

Richard O. Meier, President, Big Bear Wastewater, Inc., being duly sworn, states that he supervised the preparation of these responses of Big Bear Wastewater, Inc. to the Dens Condominium Association's First Data Requests and that the responses are true and accurate to the best of his knowledge, information and belief, formed after a reasonable inquiry.


Richard O. Meier

Subscribed and sworn before me on this date of January 8, 2010.


Notary Public

My Commission expires: 12/20/2012