

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WARREN COUNTY WATER)
DISTRICT, WARREN COUNTY, KENTUCKY (A))
FOR A CERTIFICATE OF CONVENIENCE AND)
NECESSITY PURSUANT TO KRS 278.020)
AUTHORIZING SAID DISTRICT TO CONSTRUCT)
IMPROVEMENTS AND EXTENSIONS TO ITS)
EXISTING SEWER SYSTEM WHICH) CASE NO. 2011-00418
IMPROVEMENTS AND EXTENSIONS WILL BE)
FINANCED IN WHOLE OR IN PART UNDER THE)
TERMS OF AN AGREEMENT BETWEEN THE)
WATER DISTRICT AND THE KENTUCKY)
INFRASTRUCTURE AUTHORITY AND (B) FOR)
AUTHORITY TO ISSUE CERTAIN SECURITIES)
AS REQUIRED BY KRS 278.300)

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO WARREN COUNTY WATER DISTRICT

Pursuant to 807 KAR 5:001, Warren County Water District ("Warren District") shall file with the Commission no later than December 7, 2011 the original and five copies of the following information, with a copy to all parties of record. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and

accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Warren District shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Warren District fails or refuses to furnish all or part of the requested information, Warren District shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Describe Warren District's current plans to expand the capacity of the existing lift station and force main to accommodate the initial projected wastewater flow of 2,000 gallons per day ("gpd").
2. Describe Warren District's current plans to expand the capacity of the existing lift station and force main to accommodate the future projected wastewater flow of 160,000 gpd.
3.
 - a. State the projected cost for the necessary upgrades to the existing lift station and force main.
 - b. Describe how Warren District will fund the improvements.
4. Provide two copies of the proposed project's plans and specifications. In lieu of providing two paper copies, a paper copy and an electronic copy may be

submitted. The electronic copy shall be in portable document format and provided on CD-ROM or other suitable electronic storage media.

5. a. Provide the minutes of the meeting(s) of Warren District's Board of Commissioners in which the proposed project was discussed.

b. Provide the minutes of the meeting of Warren District's Board of Commissioners in which the Board selected a contractor for the proposed project.

6. a. Explain how the boundary for the Sewer Interceptor Capital Recovery Area ("SICRA") was established.

b. Provide all correspondence, internal memoranda, notes, and electronic mail messages in which Warren District officials or employees discussed the SICRA boundaries.

c. Explain why the area located on Highway 242 west of Nashville Road was not included in the SICRA boundary.

7. Provide all correspondence, internal memoranda, notes, and electronic mail messages between Warren District officials or employees and Warren County officials or employees in which financing of the proposed sewer main was discussed.

8. Describe Warren District's current plans for the expansion of the SICRA boundary for any future wastewater expansions to the proposed project.

9. Describe how Warren District determined that, when the SICRA has been built out, wastewater flows from the area will be 160,000 gpd. Provide all workpapers, show all calculations, and state all assumptions that Warren District used to reach this determination.

10. Refer to "Engineering Report: Buchanan Park Sewer Line Extension" at 3. State whether Warren County Fiscal Court's contribution of \$170,240 funds only the cost of the sewer main inside Buchanan Park.

11. Explain why Warren County Fiscal Court is not assuming responsibility for a portion of the proposed project's engineering and contingency costs.

12. Explain why Warren County Fiscal Court is assuming responsibility only for the cost of the portion of proposed sewer main that is located within Buchanan Park and on Warren County property.

13. a. State whether Warren District intends to assess a SICRA fee to Warren County Fiscal Court for any connections to the proposed sewer main made within Buchanan Park.

b. (1) If Warren District intends to assess a SICRA fee, state the amount of the fee and describe how it was calculated.

(2) If Warren District does not intend to assess a SICRA fee, explain why not.

14. Describe the effects on Warren District's proposed project if the Public Service Commission denies Warren District's request to assess the proposed SICRA fee.

15. State the use(s) for which the real property within the SICRA is currently zoned.

16. Refer to "Engineering Report: Buchanan Park Sewer Line Extension" at 6-7. Identify the new commercial customer that Warren District expects to serve through the proposed sewer main.

17. Refer to "Engineering Report: Buchanan Park Sewer Line Extension" at 3. Describe how Warren District determined that its share of the proposed project costs was \$142,160.

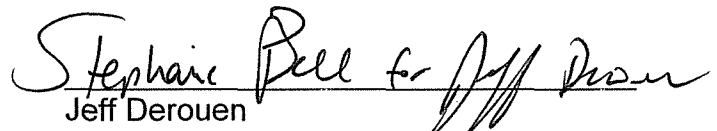
18. State the effect of Warren District's plan to finance the proposed project, including the proposed SICRA fee, if Warren County Fiscal Court terminates the Agreement of September 7, 2011 with Warren District any time after the end of Fiscal Year 2012.

19. State the source(s) of funds for the \$142,160 that Warren District will contribute to the cost of the proposed project.

20. Refer to Warren District's Application, Exhibit D.

a. Provide all workpapers, show all calculations, and state all assumptions used to derive the SICRA fee for each meter size. The response should list each cost component that the SICRA fee is intended to recover.

b. Provide all workpapers, show all calculations, and state all assumptions used to derive the sewer connect fees. The response should list each cost that the sewer connect fee is intended to recover.


Jeff Derouen
Executive Director
Public Service Commission
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DATED: DEC 01 2011

cc: Parties of Record

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