COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MUHLENBERG COUNTY WATER DISTRICT FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT AND FINANCE A WATER IMPROVEMENTS PROJECT PURSUANT TO KRS 278.020 AND 278.300

CASE NO. 2013-00043

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO MUHLENBERG COUNTY WATER DISTRICT

Pursuant to 807 KAR 5:001, Muhlenberg County Water District ("Muhlenberg District") shall file with the Commission no later than July 17, 2013, 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. Muhlenberg 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 Muhlenberg District fails or refuses to furnish all or part of the requested information, Muhlenberg 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. a. State whether Muhlenberg District has received bids for the 5,800 meters that it proposes to purchase.

b. State the date that Muhlenberg District opened bids for the 5,800 meters.

c. Provide a copy of bids that were timely submitted.

d. Provide a copy of the bid tabulation sheet.

2. State whether Muhlenberg District's Board of Commissioners has identified the person or firm to which a contract for purchase of 5,800 meters will be awarded. If yes, provide a copy of the resolution or minutes of the Board of Commissioners' meeting in which the selection was made.

3. State the date on which the selected bid will expire if not accepted.

4. State whether Muhlenberg District proposes any revisions to its proposed plan for purchasing the 5,800 meters. If yes, describe each revision or alteration.

5. List and describe all changes in the assumptions for the proposed loan from Kentucky Rural Water Finance Corporation that are set forth in Muhlenberg District's application.

-2-

6. Refer to Muhlenberg District's Response to Commission Staff's First Request for Information, Item 8(e). Commission Regulation 807 KAR 5:066, Section 15(2), provides that 5/8-inch x 3/4-inch meters to be tested at the following flow rates: .25 gallons per minute ("gpm"); 2 gpm; and 15 gpm. The Sensus meters were tested at flow rates of: .11 gpm; 10 gpm; and 35 gpm. Explain why these meters were not tested at the flow rates that the Commission's regulations require.

7. Refer to Muhlenberg District's Response to Commission Staff's First Request for Information, Item 8(e). Testing of the Sensus meters reflected recorded accuracies at the .11 gpm test flow rate and the 35 gpm test flow rate of 99.5 and 99.9 percent respectively. Explain the absence of any deviation in the results.

8. Refer to Muhlenberg District's Response to Commission Staff's First Request for Information, Item 7. Explain why Muhlenberg District selected a sample size of 100 meters per year in lieu of a larger sample size for each of the first five years of testing.

9. State how Muhlenberg District intends to report the results of the meter testing to the Commission.

10. Refer to Muhlenberg District's Response to Commission Staff's First Request for Information, Item 8(e).

a. Describe the meter testing procedures that Sensus Metering Systems used to test the 28 meters for which testing results were provided.

b. State the number of meters tested in the lot that contained Sensus Serial Number 74955977 to 74958676. If all meters in this lot were not tested, state the number of meters tested and how these meters were selected for testing.

Case No. 2013-00043

-3-

Jeff Dereuen Executive Director Public Service Commission P.O. Box 615 Frankfort, Kentucky 40602

DATED: _____JUL 0 2 2013

cc: Parties of Record

Case No. 2013-00043

Honorable W. Randall Jones Attorney at Law Rubin & Hays Kentucky Home Trust Building 450 South Third Street Louisville, KENTUCKY 40202