COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT APPLICATION OF)	
SOUTHERN WATER AND SEWER)	
DISTRICT; PRESTONSBURG CITY'S)	
UTILITY COMMISSION; AND THE CITY OF)	
PRESTONSBURG, KENTUCKY FOR AN)	CASE NO. 2017-00044
ORDER APPROVING THE TRANSFER OF)	
OWNERSHIP OF THE WASTEWATER)	
SYSTEM AND CERTAIN PORTIONS OF)	
THE WATER SYSTEM OF SOUTHERN)	
WATER AND SEWER DISTRICT)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO SOUTHERN WATER AND SEWER DISTRICT; PRESTONSBURG CITY'S UTILITY COMMISSION; AND THE CITY OF PRESTONSBURG, KENTUCKY

Joint Applicants Southern Water and Sewer District ("Southern District"), Prestonsburg City's Utility Commission ("PCUC"), and the city of Prestonsburg, Kentucky (the "City"), (collectively, "Joint Applicants"), pursuant to 807 KAR 5:001, are to file with the Commission the original and an electronic copy of the following information, with a copy to all parties of record, The information requested herein is due no later than March 13, 2017. Responses to requests for information in paper medium 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.

Joint Applicants 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 Joint Applicants fail or refuse to furnish all or part of the requested information, they 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. When filing a paper containing personal information, Joint Applicants shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

- 1. Paragraph 19 of the Joint Application states that the agreed-upon purchase price for the assets proposed to be transferred ("Assets") "represents the fair market value of the Assets." Provide support for this statement. If Joint Applicants obtained an appraisal of the Assets, provide a copy of such appraisal.
- State whether PCUC and the City intend to continue to operate the Harold Wastewater Treatment Plant ("WWTP"), the Eastern WWTP, and the Wayland WWTP upon the transfer of the Assets.

- a. If with respect to any of the WWTP's the response is no, state the manner in which PCUC and the City intend to treat the effluent currently treated by the WWTP.
- b. If with respect to any of the WWTP's the response is no, state the manner in which PCUC and the City intend to decommission the WWTP, and provide an estimate for when this work will be completed.
- 3. The Annual Report of Southern Water and Sewer District, to the Public Service Commission for the Year Ended December 31, 2015, Water, ("2015 Water Annual Report") at page 12, indicates that Southern District provides water service in Floyd and Knott Counties, Kentucky. Provide a map, similar in form to the map attached as Exhibit 3 to the Joint Application, showing any water system assets proposed to be transferred, and the location of any water system assets that are not being transferred and that will continue to be owned and operated by Southern District.
- 4. The Annual Report of Southern Water and Sewer District, to the Public Service Commission for the Year Ended December 31, 2015, Sewer, at page 25, indicates that Southern District currently has 306 sewer connections. State how many of these connections are to become part of the PCUC system upon completion of the transfer.
- The 2015 Water Annual Report, at page 53, indicates Southern District
 has 6,724 water connections. State how many of these connections are to become part
 of the PCUC system upon completion of the transfer.

Talina R. Mathews

Executive Director

Public Service Commission

P.O. Box 615

Frankfort, Kentucky 40602

MAR 0 6 2017 DATED:

Parties of Record CC:

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*Southern Water & Sewer District 245 Kentucky Route 680 P. O. Box 610 McDowell, KY 41647

*Dean Hall Operations Manager Southern Water & Sewer District P.O. Box 610, 245 Kentucky Route 680 , 41647

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