



**BRIAN CUMBO**  
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ADMITTED IN KY AND WV

**RECEIVED**

**MAR 12 2018**

**PUBLIC SERVICE  
COMMISSION**

March 8, 2018

Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

RE: Martin County Water District  
PSC Case No. 2018-00017  
Application for Rate Adjustment

To Whom It May Concern:

Enclosed please find original and six (6) copies of Martin County Water District's Motion for Protective Order regarding the above matter.

Thank you for your attention to this matter.

Very truly yours,

BRIAN CUMBO

BC/ld  
Enclosure

RECEIVED

MAR 12 2018

PUBLIC SERVICE  
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE MARTIN	)	
COUNTY WATER DISTRICT FOR	)	CASE NO. 2018-00017
ALTERNATIVE RATE ADJUSTMENT	)	

**MOTION FOR PROTECTIVE ORDER**

\*\*\*\*\*

Comes the Martin County Water District (hereinafter District), by counsel, and moves the Public Service Commission for an Order of protection, protecting the District from being forced to respond to the requests for information submitted by the the Martin County Concerned Citizens, Inc. (hereinafter MCCC) on March 6, 2018.

As grounds therefore, 807 KAR 5:001 (12) is titled "Requests for Information."

It states, in pertinent part, in subsection (a),

"If permitted by administrative regulation or by order of the Commission, a party may, in accordance with this section, request information from another party to the case. The requesting party shall serve its request upon the party from which it seeks the requested information and shall also file its request with the Commission."


The MCCC has propounded requests for information upon the District, a copy of which is attached an appended as Exhibit A to this Motion.

However, the Order of the Commission permitting intervention did not provide that the Intervenor was permitted to request such information.

Additionally, to respond to the information requested increases the financial and administrative burden on the District, at a critical point in time. The District has new Commissioners, a new General Manager, and they are furiously trying to get a handle on the current situation. The increased demands on staff created by these requests cannot be sustained over time, because the current staff and oversight are stretched just trying to maintain the status quo.

That, since the Commission Order did not grant leave for the Intervenor to submit requests for information, and because the requests are overly burdensome and onerous to the District, the District requests an Order of Protection, ordering that the District has no obligation to respond to the Intervenor's request for information.

Wherefore, counsel requests appropriate Orders of the Public Service Commission consistent with this Motion.

  
BRIAN CUMBO  
COUNSEL FOR MARTIN COUNTY  
WATER DISTRICT  
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INEZ, KY 41224  
TELEPHONE: (606) 298-0428  
TELECOPIER: (606) 298-0316  
EMAIL: cumbolaw@cumbolaw.com

#### **CERTIFICATE OF SERVICE**


This will certify that a true and correct copy of the foregoing was emailed & mailed, postage pre-paid, on this the 27 day of March, 2018, to the following:

Public Service Commission  
ATTN: Brittany Koenig  
P.O. Box 615  
Frankfort, KY 40602  
*brittany.koenig@ky.gov*

Hon. Mary Varson Cromer  
Appalachian Citizens' Law Center, Inc.  
317 Main Street  
Whitesburg, KY 41858  
*mary@appalachianlawcenter.org*

M. Todd Osterloh  
Sturgill, Turner, Barker & Moloney, PLLC  
333 West Vine Street, Ste. 1400  
Lexington, KY 40507  
*tosterloh@sturgillturner.com*

James Wilson Gardner  
*jameswilsongardner@gmail.com*

  
BRIAN CUMBO

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAR 06 2018

PUBLIC SERVICE  
COMMISSION

**In The Matter Of:**

**THE APPLICATION OF THE  
MARTIN COUNTY WATER  
DISTRICT FOR ALTERNATIVE  
RATE ADJUSTMENT**

**Case No. 2018-00017**

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**MARTIN COUNTY CONCERNED CITIZENS, INC.'S INITIAL REQUESTS FOR  
INFORMATION FROM MARTIN COUNTY WATER DISTRICT**

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Martin County Concerned Citizens, Inc. ("MCCC"), by and through counsel, submits these requests for information to the Martin County Water District ("MCWD") pursuant to 807 KAR 5:001 Sec. 4(12).

MCCC requests that the information sought be provided to the Commission and MCCC within 21 days of the date of this request or at such other time as may be ordered by the Commission. Further, MCCC requests that the responses to these data requests comply with the following:

1. Responses to requests for information shall be appropriately bound, tabbed, and indexed and shall include the name of the witness responsible for responding to questions related to the information provided. Copies shall be sent to MCCC and the original and one copy shall be provided to the Commission.
2. 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, shall be accompanied by a signed certification of



the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of the person's knowledge, information, and belief formed after reasonable inquiry.

3. MCWD shall make timely amendment to any prior response if it obtains information that indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.
4. For any request that MCWD refuses to furnish all or part of the requested information, MCWD shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.
5. Where the response to the requests consists of information or a statement that is already in the Commission's record or is otherwise publicly available, provide a detailed citation to the document or other resource that contains the information. Such citation shall include the title of the document and the relevant page number. If the document is publicly available online, provide the URL and a notation of when the URL was last accessed by MCWD.
6. In the event any document sought by MCCC has been destroyed, specify the date and the manner of such destruction, the person directing or authorizing the destruction, and the custodian of the document at the time of its destruction.

## DATA REQUESTS

1. Provide all receipts for purchases from January 1, 2016 to the present.
2. Provide all records of procurement for goods or services since January 1, 2016 purchased for the Martin District conducted under Section B or C of the Martin County Utility Board's Procurement Policy & Procedures & Related Code of Ethics Provisions.
3. Provide a list of all past due accounts receivable account holders for whom the account is more than 60 days past due and for whom service has not been disconnected. MCCC is willing to enter a confidentiality agreement with regard to this data.
4. Provide an accounts receivable aging report from January 1, 2016 to the present.
5. Explain why employee benefits increased by nearly 19% from 2015 to 2016.
6. Explain why insurance costs increased by nearly 24% from 2015 to 2016.
7. Explain why bad debt expense increased by just over 26% from 2015 to 2016.
8. Provide a copy of all approved budgets, whether annual or monthly, for 2016, 2017, and 2018.
9. Provide details, including date and cost of repair, for line replacements since January 1, 2016 that were accounted for as capital expenses. If all line replacements during the period were accounted for as operating

expenses, state so affirmatively.

10. For each employee of MCWD who had wages during the test year, provide:
  - a. Employee's name;
  - b. Title;
  - c. Length of employment;
  - d. Job duties;
  - e. Test-period pay rate and current pay rate;
  - f. Test-period regular time worked and overtime worked;
  - g. Total test-period wages;
  - h. Type of employee benefits (e.g., health insurance, dental insurance, vision insurance, pension); and
  - i. The dollar value of employee benefits reported by MCWD.
11. Provide the employer retirement contribution rate(s) that were in effect during calendar years 2015, 2016, and 2017 and the date the rate(s) became effective.
  - a. If the employer retirement contribution rate changed or will change in calendar year 2018, provide the initial rate, the reason for the change, the new rate, and the effective date of the change or proposed change.
12. Identify all employees listed in the response to Item 10.a. who are no longer employed by MCWD.
13. For each employee identified in the response to Item 10.a. above:
  - a. If the employee's position has been filled, identify the employee currently in



the position and state the date on which the replacement employee(s) was hired, his or her actual annualized salary and actual benefit information, and the salary and employee benefit costs that are included in MCWD's pro forma operating expenses.

- b. If the position is currently vacant, state:
  - i. The reason(s) why the position is vacant;
  - ii. The current status of MCWD's efforts to fill the position and the anticipated hire date;
  - iii. Whether the cost of the position is included in the pro forma salaries and wage expense; and
  - iv. If the cost of the position is included in the pro forma salaries and wage expense, the position costs that are included in the test-period operating expenses (e.g., payroll expenses, payroll capitalized, retirement, payroll taxes, and insurance benefits) and the accounts to which each amount was charged.

- 14. Provide a complete copy of all wage, compensation, and employee benefits studies, analyses, or surveys conducted for or used by MCWD.
- 15. For each employee identified in the response to Item 10.a. above, state the amount, percentage of increases, and effective dates for salary increases granted for the years 2014, 2015, 2016, and 2017.
- 16. Please identify what person or persons determined the "proposed life" for assets contained in Attachment 4(c) to the Application, entitled Table A: Depreciation Expense Adjustments.

17. Please explain why the specific proposed life was assigned to each of the following assets:

	<u>Sys ID / Asset Code</u>	<u>Description</u>
a)	16 22	Concrete spillway
b)	370 03-002	Reservoir Dam Improvements
c)	17 23	River project
d)	18 24	River pump modifications
e)	19 25	River pump modifications
f)	20 26	Myers submersible pump
g)	388 04-003	Turkey Pumping Station
h)	524 07-002	PR Valves
i)	526 07-004	RW Intake Pump Service
j)	608 11-001	System Air Compressor
k)	622 12-001	RW Intake Pumps & Rehab
l)	657 657	Pit ladder
m)	645 645	Generator
n)	All	Tanks and Standpipes
o)	29 49	Glass lined Tanks
p)	353 02-007	2 Chart Recorders
q)	394 04-009	Telemetry
r)	397 04-012	Pressure Recorder
s)	447 05-021	Telemetry
t)	495 06-015	Telemetry

- u) 159 315                      Bone Hollow
- v) 628 12-0007                Microcom - Telemetry
- w) 651 651                      2.5" Hole Hammer
- x) 652 652                      Air Compressor

18.            Provide a detailed description of assets contained in the following group of assets. Include within your response whether the assets are currently in-service.

- a. 394 04-009            Telemetry
- b. 447 05-021            Telemetry
- c. 495 06-015            Telemetry

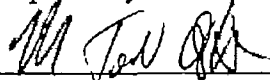
19.            Please state whether MCWD factored net salvage value for any depreciable assets when calculating depreciation expense. If yes, identify where in the application materials this is reflected.

20.            Identify the number of bills issued during the test year for 5/8 x 3/4 inch meters that used 2,000 gallons or less of water.

21.            Identify the number of bills issued during the test year for 5/8 x 3/4 inch meters that used 1,000 gallons or less of water.

22.            Please explain how MCWD calculated \$67,543 in bad debt expense.

Respectfully Submitted,



Mary Varson Cromer  
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and

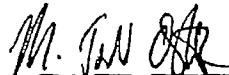
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*Counsel for MCCC*

### CERTIFICATE OF SERVICE

Pursuant to 807 KAR 5:001 Sec. 6, I, M. Todd Osterloh, hereby certify that on March 6, 2018, a true and accurate copy of the foregoing Initial Request for Information was served via electronic mail and postage-paid U.S. mail to the following:

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*Counsel for Martin County Water District*

  
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Counsel for the MCCC