

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE)
WATER SERVICE RATES OF THE CITY OF) CASE NO.
PIKEVILLE TO MOUNTAIN WATER DISTRICT) 2019-00080

COMMISSION STAFF'S FIRST REQUEST FOR
INFORMATION TO MOUNTAIN WATER DISTRICT

Mountain Water District (Mountain District), pursuant to 807 KAR 5:001, is to file with the Commission the original and six copies in paper medium of its responses to the following information, with a copy to all parties of record. The information requested is due on or before July 15, 2019. 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.

Mountain District 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. For any request to which Mountain District fails or refuses to furnish all or part of the requested information, it 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 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Mountain District shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Direct Testimony of Philip Elswick, (Elswick Testimony) page 4, line 12. Mr. Elswick stated that the City of Pikeville (Pikeville) provided the initial Cost of Service Study (COSS) to Mountain District.
 - a. Explain how the initial COSS was presented to Mountain District.
 - b. Provide all material and information concerning the initial COSS that was provided to Mountain District.
 - c. Explain whether the COSS consultant, RateStudies, met with Mountain District in the presentation of the initial COSS presentation.
 - d. If RateStudies met with Mountain District, provide a summary of the meeting and all materials provided to Mountain District.

2. Refer to the Elswick Testimony, page 4, line 17. Mr. Elswick states that Pikeville requested that RateStudies produce a second COSS based upon the Debt Service Coverage methodology similar to that used by Commission Staff.

a. Explain how this second COSS was presented to Mountain District.

b. Provide all material and information concerning this second COSS that was provided to Mountain District.

c. Explain whether the COSS consultant, RateStudies, met with Mountain District in the presentation of the second COSS presentation.

d. If RateStudies met with Mountain District, provide a summary of the meeting and all materials provided to Mountain District.

3. Refer to the Elswick Testimony, page 4, line 21. Mr. Elswick states that Pikeville offered to settle on a rate less than that identified in the second COSS and without the rate case expense surcharge. Explain why Mountain District did not accept this offer from Pikeville.

4. Refer to the Elswick Testimony, page 7, line 5. Mr. Elswick states that Pikeville continued to negotiate with Mountain District. Provide all emails, minutes of meetings, letters or other documents related to these negotiations.

5. Refer to the Direct Testimony of Samuel R. Petty, page 2, line 22. Mr. Petty states that when Pikeville presented the initial COSS to Mountain District, Mountain District suggested that the Commission would not accept the methodology used in this initial COSS.

a. Provide all emails, minutes of meetings, letters or other documents related to this suggestion.

b. Explain why Mountain District felt the Commission would not accept the initial COSS.



Gwen R. Pinson
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Public Service Commission
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DATED JUL 01 2019

cc: Parties of Record

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