COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF WATER)CASE NO.SERVICE CORPORATION OF KENTUCKY FOR)2019-00284A DEVIATION FROM 807 KAR 5:006 (26) (2) (B))

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO WATER SERVICE CORPORATION OF KENTUCKY

Water Service Corporation of Kentucky (Water Service Kentucky), pursuant to 807 KAR 5:001, is to file with the Commission the original and an electronic version of its responses to the following information. The information requested herein is due on November 13, 2019. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable and shall be appropriately bookmarked.

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 the 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.

Water Service Kentucky shall make timely amendment to any prior response if Water Service Kentucky 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 Water Service Kentucky fails or refuses to furnish all or part of the requested information, Water Service Kentucky shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall 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, Water Service Kentucky shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Indentify the number of valves in Water Service Kentucky's system that are 10 inches or larger; the number of valves in Water Service Kentucky's system that are 8 inches or smaller; and the number of valves, if any, in Water Service Kentucky's system that are between 8 inches and 10 inches.

2. a. Provide a copy of the most recent version of Water Service Kentucky's inspection procedures prepared pursuant to 807 KAR 5:006, Section 26(1).

b. State whether and, if so, how and why, Water Service Kentucky's current inspection practices for valves differ from its inspection procedures prepared pursuant to 807 KAR 5:006, Section 26(1).

 If Water Service Kentucky is not currently conducting periodic inspections of its valves as often as required by 807 KAR 5:006, Section 26(6)(b):

a. Explain why Water Service Kentucky is not doing so; and

b. State the year when Water Service Kentucky last did so.

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4. a. Provide, by year, the number of valve failures Water Service Kentucky experienced from 2014 through 2019 to-date, and identify what portion of those valve failures involved valves that were 8 inches or smaller in size.

b. Provide, by year for the years 2014 through 2019, the number of failures of valves 8 inches or smaller that were discovered during an attempt to use the valve while not conducting an inspection. For the same period, provide a schedule that summarizes by year the deficiencies determined to be responsible for the failures, the action necessary to correct the deficiency, and whether the valve had been inspected in the 12 months prior to the failure.

c. Provide, by year for the years 2014 through 2019, the number of failures of valves 10 inches or larger that were discovered during an attempt to use the valve while not conducting an inspection. For same period, provide a schedule that summarizes by year the deficiencies determined to be responsible for the failures, the action necessary to correct the deficiency, and whether the valve had been inspected in the 12 months prior to the failure.

5. Provide a copy of all inspection records for valves maintained pursuant to 807 KAR 5:006, Section 26(3) for 2016, 2017, 2018, and 2019.

 a. State the number of times in total in a month, on average, that Water Service Kentucky is required to operate its valves that are 10 inches or larger other then when it is conducting inspections.

b. State the number of times in total in a month, on average, that Water
Service Kentucky is required to operate its valves that are 8 inches or smaller other then
when it is conducting inspections.

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7. Provide the typical spacing between valves in Water Service Kentucky's system, and estimate the number of additional customers that would typically be affected if the failure of the valve closest to a problem necessitated the closure of a more distant valve.

8. Refer to the Application at paragraph 5 wherein Water Service Kentucky states that "[it] has contacts and access to many contractors who can install insertion valves in emergency situtions where additional valves are not present."

a. Identify and describe the areas in Water Service Kentucky's systems "where additional valves are not present" and the areas in which the spacing between valves is significantly greater than what is typical, and state what portion of Water Service Kentucky's system would fall within those areas.

b. Describe Water Service Kentucky's "contacts and access" to the contractors who can install insertion valves in emergency situations, including whether Water Service Kentucky has an existing relationship with those contractors, the nature of that relationship, whether those contractors have a contractual obligation to respond to a request for assistance from Water Service Kentucky to install an insertion valve, and the nature of that contractual obligation.

c. State how quickly Water Service Kentucky contends that it could have those contractors on the site in the event of an emergency and how long it would take for them to install an insertion valve, and explain each basis for Water Service Kentucky's contentions.

d. Describe the process for installing an insertion valve, and provide the estimated cost of doing so.

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9. a. State whether valves of the same size located adjacent to or in close proximity to each other will be on the same inspection schedules.

b. Explain why Water Service Kentucky does not propose using the location of a valve as a factor in determining the appropriate inspection interval for the valve e.g. why should valves located "where additional valves are not present" not be inspected more often, regardless of size, than valves located in areas in which valves are more densely concentrated.

c. Explain how Water Service Kentucky detects valve damage short of failure and how Water Service Kentucky detects a complete valve failure.

10. Describe how Water Service Kentucky inspects valves that are 8 inches or smaller, including: how the inspector gains access to the valves; what the inspector examines and operates on each valve to assess its functionality; what criteria the inspector uses to determine whether a valve passes or fails an inspection; how long it typically takes to complete a single inspection; and how many valves can be inspected by a single inspector in a typical day.

11. Provide every reason for Water Service Kentucky's contention that it will be necessary for it to retain another employee in order to inspect all valves annually.

12. Provide an itemized explaination of all annual costs and expenses that Water Service Kentucky contends will not be incurred if it obtains the requested deviation from the requirement that it inspect all valves annually, regardless of whether the costs and expenses are currently being incurred.

13. Provide an itemized explaination of all costs and expenses, if any, that Water Service Kentucky expects to incur if it obtains the requested deviation from the

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requirement that it inspect all valves annually, including any additional cost and expense for contractors, that it would not incur if it inspected all valves annually.

14. Identify and describe all additional factors not discussed above or in the Application, if any, that Water Service Kentucky contends weigh in favor of granting the deviation requested.

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Gwen R. Pinson Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED OCT 3 1 2019

cc: Parties of Record

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