

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF	)	
MUHLENBERG COUNTY WATER DISTRICT	)	CASE NO.
#3 REQUESTING DEVIATION FROM	)	2019-00051
REQUIREMENTS OF 807 KAR 5:066,	)	
SECTION 4(4)	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO MUHLENBERG COUNTY WATER DISTRICT #3

Muhlenberg County Water District #3 (Muhlenberg District #3), pursuant to 807 KAR 5:001, is to file with the Commission the original in paper medium and an electronic version of the following information. The information requested herein is due on or before June 21, 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.

Muhlenberg District #3 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 #3 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 respond completely and precisely.

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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Muhlenberg District #3 shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. State whether Muhlenberg District #3 contends that its contract with the city of Sacramento obligates the city to continue to purchase water from Muhlenberg District #3, and if so, describe any actions Muhlenberg District #3 has taken and any actions it intends to take to hold the city of Sacramento to its contractual obligations.

2. Provide any correspondence, regardless of the manner in which they were sent, between Muhlenberg District #3 and the city of Sacramento discussing the city's obligation, or lack thereof, to continue purchasing water from Muhlenberg District #3.

3. State whether Muhlenberg District #3 anticipates the city of Sacramento purchasing water from Muhlenberg District #3 in the foreseeable future and provide every basis for your response.

4. State whether Muhlenberg District #3 has sought, is seeking or intends to seek a wholesale customer to utilize the capacity, or any portion thereof, previously used to serve the city of Sacramento.

5. State whether Muhlenberg District #3 has conducted any study or assessment of expected customer demand in the last year, and if so, provide the results of those studies or assessments.

6. Provide Muhlenberg District #3's average daily water consumption, as that term is used in Muhlenberg District #3's application, in the first quarter of 2019, the first quarter of 2018, and the first quarter of 2017, excluding any water sold to the city Sacramento.

7. Refer to Muhlenberg District #3's application at paragraph no. 9 in which it states that its total water usage has been trending downward for the past five years.

a. State whether and, if so, explain why Muhlenberg District anticipates that downward trend to continue.

b. State whether and, if so, when Muhlenberg District #3 anticipates its average daily water consumption, as that term is used in Muhlenberg District #3's application, falling below 500,000 gallons a day. Explain every basis for your response.

8. Provide the monthly water loss reports for Muhlenberg District #3 from January 2017 through April 2019.

9. Refer to Muhlenberg District #3's application at paragraph no. 11 in which it states that it has two storage tanks in its water system with a total of 500,000 gallons of available storage capacity.

a. State whether both of the storage tanks are currently in use, and identify the current capacity of each storage tank.

b. Describe the expected useful life of each of the storage tanks, and explain how the expected useful life was determined.

c. State whether either of the tanks have been taken out of service since January 1, 2018, and if so, identify each period during which either tank was taken out of service and describe why the tank was taken out of service for each such period.

10. Refer to Muhlenberg District #3's application at paragraph no. 12 in which it states that Central City has a storage capacity of 4.8 million gallons of water per day and only consumes an average of 770,000 gallons daily. State whether Central City sells water wholesale to any other utilities, including county or city utilities, and if so, provide the total average amount of water Central City sells to other utilities if known.

11. Refer to Muhlenberg District #3's application at paragraph no. 18 in which it stated that Sacramento had already stopped buying water from Muhlenberg District #3 when it received the Commission's September 12, 2018 Order in Case No. 2018-00159.<sup>1</sup> Explain why Muhlenberg District did not file a motion to alter or amend the September 12, 2018 Order based on the change in circumstances if it contends that the change in circumstances rendered the conditions of the Order unnecessary.

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<sup>1</sup> Case No. 2018-00159, *Electronic Application of Muhlenberg County Water District #3 Requesting Deviation from Requirements of 807 KAR 5:066, Section 4(4)*, Final Order (KY PSC Sept. 12, 2018).

12. Refer to Muhlenberg District #3's application at paragraph no. 22 in which it describes "promising discussions with Central City's new Mayor."

a. Describe the "promising discussions" referred to therein, including the dates on which they occurred.

b. Describe any and all discussions Muhlenberg District #3 has had with Central City or any representative thereof regarding water storage since this application was filed.



Gwen R. Pinson  
Executive Director  
Public Service Commission  
P.O. Box 615  
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DATED         **JUN 06 2019**        

cc: Parties of Record

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