COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY-AMERICAN WATER COMPANY TO AMEND TARIFF FOR THE ESTABLISHMENT OF QUALIFIED INFRASTRUCTURE PROGRAM CHARGE

CASE NO. 2020-00027

COMMISSION STAFF'S SECOND POST-HEARING REQUEST FOR INFORMATION TO KENTUCKY-AMERICAN WATER COMPANY

Kentucky-American Water Company (Kentucky-American), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due within ten days of the date of this request. The Commission directs Kentucky-American to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085¹ regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. All responses 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-*19 (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-*19 (Ky. PSC Mar. 24, 2020), Order at 1–3.

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.

Kentucky-American 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 Kentucky-American fails or refuses to furnish all or part of the requested information, Kentucky-American 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, Kentucky-American 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 Case No. 2018-00358,² the Direct Testimony of Brent E. O'Neill (O'Neill Testimony), page 17, and to O'Neill Testimony, Exhibit 1, which provides an inservice date of December 2019 for the Cox Street Booster Pump Station (Cox Street Station) project. Also, refer to Case No. 2018-00358, Kentucky-American's response to Commission Staff's First Request for Information (Response to Staff's First Request),

² Case No. 2018-00358, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC Sept. 8, 2019).

Item 13, which provides an in-service date of October 30, 2020, for the Cox Street Station. Finally, refer to Case No. 2018-00358, Kentucky-American's Response to the Attorney General's First Request for Information, Item 59, which does not include the Cox Street Station as one of the investment projects included in the proposed QIP projects.

a. Confirm that the Cox Street Station project referenced in the O'Neill Testimony and Response to Staff's First Request is the same project Kentucky-American proposed to include in its Qualified Infrastructure Program (QIP) tariff rider in this proceeding.

b. State whether the Cox Street Station project is included in base rates approved in Case No. 2018-00358, and if not, explain how a project included in a capital investment plan, but not the proposed QIP, in Case No. 2018-00358 is not included in base rates approved in Case No. 2018-00358.

c. Identify any other construction projects that included in base rates approved in Case No. 2019-00358 that Kentucky-American is including in its QIP tariff rider.

2. Refer to Case No. 2018-00358, the O'Neill Testimony, Exhibit 2, page 13, which includes main replacement criteria table and an explanation that main replacement prioritization and replacement schedules are developed using an electronic database and external drivers.

a. Provide a copy of the database output showing the overall rating and ranking of each main that was developed in Case No. 2018-00358 and the proposed replacement schedule for the initial five-year QIP period.

Case No. 2020-00027

-3-

b. Provide a copy of the database output showing the overall rating and ranking of each main that was developed for the QIP proposed in this proceeding.

c. Provide the main replacement criteria table implemented for this proceeding, and, if there are differences in criteria between Case No. 2018-00358 and this proceeding, explain the basis for the differing criteria.

3. Refer to Case No. 2018-00358, O'Neill Testimony, Exhibit 2, pages 24–25, which projects replacing 42,990 feet of main at a cost of \$6,448,500 in year one of the proposed QIP. In this proceeding, Kentucky-American proposes to replace 32,160 feet of main at a projected cost of \$7,400,000.

a. Provide a list of Line B main replacement projects proposed in this proceeding in the same granular detail as was provided in Case No. 2018-00358.

b. Explain in detail the basis for the differences between the projected year one QIP projects identified in Case No. 2018-00358 and the Line B main replacement projects identified in this proceeding.

c. Identify the projects that were included in or excluded from the Line B main replacement projects in this proceeding as opposed to those proposed in the year one proposed QIP projects in Case No. 2018-00358, and explain why a project was included or excluded.

4. Provide a revised copy of Elaine Chambers Workpaper KAW_DT_EKC_WP_030220.xlsx limiting the Qualified Infrastructure Program (QIP) Rider to the recovery of line items B-Mains Replaced and C-Mains Unscheduled. The revised workpaper and any supporting calculations should be provided in an Excel format with all formulas intact and cells unprotected.

-4-

Kent A. Chandler Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED MAY 18 2020

cc: Parties of Record

*Kentucky-American Water Company 2300 Richmond Road Lexington, KY 40502

*Elaine K Chambers Director, Rates and Regulatory Kentucky-American Water Company 2300 Richmond Road Lexington, KY 40502

*John Dillon Kentucky-American Water Company 2300 Richmond Road Lexington, KY 40502

*Honorable Lindsey W Ingram, III Attorney at Law STOLL KEENON OGDEN PLLC 300 West Vine Street Suite 2100 Lexington, KENTUCKY 40507-1801