COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF THE CITY OF)	
LANCASTER TO INCREASE THE WHOLESALE)	CASE NO.
RATE CHARGED TO GARRARD COUNTY)	2023-00424
WATER ASSOCIATION)	

<u>COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION</u> <u>TO THE CITY OF LANCASTER</u>

The city of Lancaster, Kentucky (Lancaster), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on March 15, 2024. The Commission directs Lancaster to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Lancaster shall make timely amendment to any prior response if Lancaster obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Lancaster fails or refuses to furnish all or part of the requested information, Lancaster shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned 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, Lancaster 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 Commission Order filed on January 5, 2024, email from Bob Miller dated December 14, 2023, at 10 of 42.

a. Provide an executed copy of the ordinance that Lancaster adopted in November 2023.

b. Confirm that depreciation expenses were excluded from the retail rates.

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2. Refer to tariff filing on December 21, 2023, City-of-Lancaster_2023_Water_Wholesale_Rate_Model. Also refer to Lancaster's response to Commission Staff's First Request for Information filed on January 19, 2024, Exhibit 1 – Water Retail Rate Model.

a. Describe in detail the benefits of utilizing two independent rate calculation models for wholesale and retail rates rather than a consolidated model.

b. Describe in detail how Lancaster ensures that costs allocations are neither duplicated or are not 100 percent allocated between customer categories.

3. Calculate the wholesale rate excluding depreciation and reconcile the proposed wholesale rate to the calculated amount.

idwell

Linda C. Bridwell, PE Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED FEB 19 2024

cc: Parties of Record

*Robert K. Miller Straightline Kentucky LLC 113 North Birchwood Ave. Louisville, KENTUCKY 40206

*City of Lancaster 308 W Maple Lancaster, KY 40444

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*Michael Gaffney Mayor 308 West Maple Ave Lancaster, KENTUCKY 40444

*Garrard County Water Association, Inc. 315 Lexington Road P. O. Box 670 Lancaster, KY 40444