

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF WESTERN)	
PULASKI COUNTY WATER DISTRICT FOR A)	
CERTIFICATE OF PUBLIC CONVENIENCE AND)	CASE NO.
NECESSITY TO CONSTRUCT A SYSTEM)	2024-00348
IMPROVEMENTS PROJECT AND AN ORDER)	
AUTHORIZING THE ISSUANCE OF SECURITIES)	
PURSUANT TO KRS 278.300)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO WESTERN PULASKI COUNTY WATER DISTRICT

Western Pulaski County Water District (Western Pulaski District), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on December 10, 2024. The Commission directs Western Pulaski District 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

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).

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.

Western Pulaski District shall make timely amendment to any prior response if Western Pulaski District 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 Western Pulaski District fails or refuses to furnish all or part of the requested information, Western Pulaski District 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, Western Pulaski 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 Application.

- a. Provide the annual depreciation amount for each project component.

Include a breakdown of the costs by each component that reflects a different depreciation

life and provide the National Association of Regulatory Utility Commissioners (NARUC) depreciable life for each component.

b. State when the first full year of depreciation is expected for each.

2. Refer to the Application, Exhibit E. State whether the Annual Cost of Operation projection includes depreciation.

3. Provide a detailed schedule of the debt service calculations in Item E.

4. Provide the current book value for the storage tank that is proposed to be replaced.

5. Refer to the Application, Exhibit A, Public Necessity and Project Description.

The project description states that the existing 300,000 gallon water storage tank has significant corrosion and is in desperate need of repairs and paint, and no longer meets the needs of the system demand.

a. Describe any previous planned or unplanned preventative maintenance, parts replacement, and repairs performed on the water storage tank. Include dates and expenditures. In addition, identify and describe any instances of deferred maintenance on the water storage tank and provide a discussion of basis underlying the decisions to defer maintenance.

b. Describe in detail how the storage tank no longer meets system demand.

c. Provide a discussion of basis underlying the decision to replace the water storage tank with a new 1,000,000 gallon elevated composite water storage tank.

d. Describe the cost to repair the water storage tank and the estimated useful life of the water storage tank, if successfully repaired.

e. Describe the current operation and maintenance expenses of the water tank in service and future operation and maintenance expenses if water tank remains in service.

6. Refer to the Application, Exhibit A, Public Necessity and Project Description. The project description and necessity states that the project is necessary due to growth along the KY Highway 914 Bypass and in the western portion of the county.

a. Provide a basis for the statement regarding population growth and necessity of project.

b. Explain the anticipated useful life of the proposed replacement tank considering the stated population growth in the area.

7. Refer to the Application, Exhibit A. The project description states that the only alternative was to construct a new tank at a different location but that the proposed site was within the restricted flight zone of the Lake Cumberland Regional Airport.

a. Provide documentation of the restriction on alternative location due to proximity to the airport.

b. State the process to determine that the only alternative was to construct a tank at the proposed location.

c. State if Monarch Engineering, Inc. made any recommendations regarding alternatives to the construction of the new storage tank, if so, provide a copy of those documents.

8. State whether there were any other reasons besides lowest cost that caused Western Pulaski District to select Caldwell Tanks, Inc for the project.

9. State if the proposed demolition of the 300,000 gallon water tank and the construction of the new storage tank would result in any interruption of service to customers, if so, explain how the district would minimize any interruption of water service related to the project.

10. Refer to the Application, Exhibit I.

a. Explain where in the project bid, if at all, the installation of the 600 LF of 12-inch ductile iron water main is included.

b. If not, explain how the ductile iron water main will be installed.

11. Refer to Western Pulaski District's 2023 Annual report in which it reports a total water loss of 193,784,000 gallons, approximately 32.7623 percent.² State how much Western Pulaski District expects that percentage will be improved by the proposed project.

12. Explain how bids were solicited for the proposed project, whether through direct solicitation, publication, or another method. If solicited through publication, provide a copy of the publication and state the days on which it ran.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
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DATED DEC 2 2024

cc: Parties of Record

² Annual Report of Western Pulaski District to the Public Service Commission for the Calendar Year Ended December 31, 2023 at 57.

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