

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF CAWOOD)	CASE NO.
WATER DISTRICT FOR AN ALTERNATIVE RATE)	2020-00311
ADJUSTMENT)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO CAWOOD WATER DISTRICT

Cawood Water District (Cawood District), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version the following information. The information requested herein is due within 14 days of the date of this request. Pursuant to the Commission's Orders in Case No. 2020-00085,¹ issued March 16, 2020, and March 24, 2020, Cawood District SHALL NOT FILE the original paper copy of all requested information at this time, but rather shall file original paper copies 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 association or a governmental agency, be accompanied by a signed certification of the

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.

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.

Cawood District shall make timely amendment to any prior response if Cawood District obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Cawood District fails or refuses to furnish all or part of the requested information, Cawood 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 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, Cawood 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. Provide copies of each of the following, and when appropriate, provide in Excel spreadsheet format with all formulas intact and unprotected and all rows and columns fully accessible:

- a. The general ledger and trial balance for the calendar years 2019 and 2020 to date.
- b. The trial balance for the calendar years 2019 and 2020 to date.

c. General Liability Insurance policies for 2019 and the current period, if available.

d. Hours worked by each employee, separated by regular hours worked, overtime hours worked, and any other form of hourly wage for the calendar year 2019.

e. A document detailing the names, job titles, job description, and pay rates for each employee on December 31, 2017, December 31, 2018, December 31, 2019, and for those currently employed.

f. A description of all employee benefits, other than salaries and wages, paid to, or on behalf of, each employee for each of the previous five years.

g. Minutes from Cawood District commissioner meetings for the calendar years 2019 and the current period.

h. A document listing the name of all commissioners for each of the five previous years, and state, individually, the total amount of each benefit paid to, or on the behalf of, each commissioner during each year (i.e., wages, health insurance premiums, life insurance premiums, FICA taxes, etc.).

i. Fiscal Court minutes approving each commissioner's appointment and compensation.

2. Provide a copy of the Adjusted Trial Balance showing unaudited account balances, audit adjustments, and audited balances for the calendar year ended 2019 in Excel spreadsheet format with all formulas intact and unprotected and all rows and columns fully accessible.

3. Refer to the Application, Attachment 4. Provide the workpapers for the pro forma adjustments described in the References page of the Attachment in Excel spreadsheet format, with all formulas intact and unprotected and all rows and columns fully accessible.

4. Refer to the Application, Appendix A, Current and Proposed Rates. Cawood District proposes to raise its monthly water service rates by an across-the-board percentage amount, phased in over two years.

a. Provide an explanation of how the across-the-board percentage increase method to increase monthly water service rates was chosen.

b. Provide a list of alternative methods Cawood District considered and an explanation as to why each alternative was not chosen to increase its monthly water service rates.

c. Explain the reason why a phased in approach was requested in the Application.

5. Refer to the Application, Attachment 5, Billing Analysis.

a. Provide the source of the 2019 usage data presented in the Billing Analysis, and state whether any adjustments were made to the data.

b. Provide a list of any adjustments made to the data and include an explanation of each adjustment.

c. Provide a detailed breakdown of the items that are included in the Net Billing Adjustments amount of (\$18,238) in the Summary section. Include a description of each adjustment and the method in which the amount of each adjustment and the method in which the amount of each adjustment was determined.

6. A review of records on file with the Commission shows that Cawood District last filed a cost of service study (COSS) in Case No. 1999-00362.

a. Explain if any material changes to the Cawood District's system would cause a new COSS to be prepared.

b. If there has been material changes to the Cawood District's system, explain when Cawood District anticipates completing a new COSS.

7. Refer to Cawood District's 2019 PSC annual report, page 57 of 67. Line 20, Other, is stated as 3,092,000 gallons, which equates to 2.3215 percent of the water produced and purchased by Cawood District.

a. Provide a detailed explanation of the amount of water 3,092,000 gallons included in the category listed as Other (line 20).

b. Provide copies of all documents relied upon to support the amounts of water usage for Other (line 20).

c. In the event that any of the usage is estimated, provide the basis for the amount of the estimate.



Lindsey L. Flora
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Public Service Commission
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DATED OCT 22 2020

cc: Parties of Record

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