

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BEECH GROVE)	CASE NO.
WATER SYSTEM, INC. FOR A RATE)	2022-00054
ADJUSTMENT PURSUANT TO 807 KAR 5:076)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO BEECH GROVE WATER SYSTEM, INC.

Beech Grove Water System, Inc. (Beech Grove Water), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on June 8, 2022. The Commission directs Beech Grove Water 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.

Beech Grove Water shall make a timely amendment to any prior response if Beech Grove Water obtains the 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 Beech Grove Water fails or refuses to furnish all or part of the requested information, Beech Grove Water 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, Beech Grove Water 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 Beech Grove Water's response to Commission Staff's First Request for Information (Staff's First Request), Item 8, and Item 10. The response to Item 8, states the Termination Charge was the only nonrecurring charge that was charged during the test year. The response to Item 10 states that \$25 was the Rate Collected during the test year for the Turn-on Charge, the Reconnect Charge, the Termination Charge, the Meter Resetting Charge, and the Meter Test Charge. Reconcile these two

responses and provide the number of times each nonrecurring charge listed in response to Item 10 was charged during the test year.

2. Refer to Application, Attachment 2, Reasons for Application. Describe how the proposed Water Loss Reduction Surcharge of \$6.24 per customer per month will be utilized. Provide anticipated projects, their priority, the estimated cost, and the estimated start and completion dates of each project.

3. Refer to Application, Attachment 4, References. Provide the work papers used to generate the pro forma adjustments in Excel Spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

a. Provide the calculation for Adjustment F, Purchased Water adjustment of \$85,433 that includes unit quantities and purchase rates in the calculation.

b. Provide the calculation for Adjustment G, excess water loss of \$45,218 and reconcile the difference between the amount stated in the adjustment and \$43,218 stated in the Schedule of Adjusted Operations. Include unit quantities, rates, and water loss percentage in the calculation.

c. Provide the calculation for Adjustment G, adjustment to Purchased Power due to excess water loss of \$773 that includes unit quantities, rates, and water loss percentage in the calculation.

4. Refer to Beech Grove Water's response to Staff's First Request, Item 1f, Attachment 1f_2022_Board_Minutes.pdf. Describe the 250,000-gallon elevated water storage tank project mentioned in the April 12, 2022 Beech Grove Water Board minutes, including a time frame for regulatory approvals, construction start and completion, and estimated first payment date.

5. Provide the dollar amount, the general ledger account charged, and the authorization for customer account balances that were written off as uncollectible for 2019, 2020, 2021, and year to date 2022.

6. State the number of hours of overtime worked by each employee during 2020 and 2021. Explain how overtime hours are compensated.

7. Provide the amounts collected for Shut Off and Connect Fees (Account 470.2) and Membership Fees (Account 474.2) for the years 2017 through 2021 and 2022, to date.

8. Refer to Beech Grove Water’s response to Staff’s First Request, Item 1a, 2020 General Ledger and 2021 General Ledger. Provide current year invoices or quotes for insurance categories that correspond to the items listed below, if available.

Insurance	2020	2021
656 · Insurance - Vehicles	1,184.26	1,676.77
657 · Insurance - General Liability	2,452.95	3,672.94
658 · Insurance Workers Compensation	1,668.10	1,552.33
659 · Insurance -Other	101.80	126.80
Total	<u>\$5,407.11</u>	<u>\$7,028.84</u>

9. Refer to Beech Grove Water’s response to Staff’s First Request, Item 1a, 2020 General Ledger. Describe the functional components (e.g. customer deposits, debt service reserves, etc.) of the \$175,616.55 balance that is reported in account 132, Independence Bank Savings #5223. Describe restrictions, if any, on each component.

10. Refer to Beech Grove Water’s response to Staff’s First Request, Item 1a, 2020 General Ledger. For each of the following items, provide a copy of the invoice and a description of the purpose of the expenditure if it is not described on the invoice.

a. Account 620.2, General Supplies - Date: 02/17/2020, Num: 13475; Name: Reed’s Trailer Sales; Memo: 6410 dump trailers; Amount: \$4,800.00.

b. Account 620.2, General Supplies - Date: 07/16/2020, Num: 13553; Name: Matthew Wahl; Memo: Michael purchased water hydrants; Amount: -\$344. Explain why this is a credit entry and provide the corresponding original entry including affected general ledger account(s).

c. Account 620.2, General Supplies – Date: 09/30/2020, Num: debit, Name: Forestry Suppliers; Memo: Line Locator; Amount: \$746.70. In addition, provide the estimated useful life of the item.

d. Account 632, Contractual Service – Acct – Date: 03/21/2020; Num: 13492; Name: Tonya Murphy; Memo: 20 hrs; Amount \$300.

e. Account 636, Contractual Services – Other – Date: 07/16/2020; Num: 13553; Name: Matthew Wahl; Memo: rented trencher for Sam Hodskins; Amount: \$3,200. Also, note the relationship, if any, of Matthew Wahl to employee Michael Wahl. Describe if the expense is for equipment only or includes excavation.

f. Account 636, Contractual Services – Other – Date: 11/19/2020; Num: 13630; Name: Michael Wahl; Memo: 175 per ft. 1,800-ft trench; Amount: \$875.

11. Refer to Beech Grove Water's response to Staff's First Request, Item 1e. Provide the employer-sponsored contribution rate expressed as a percentage for the 401k plan.

12. Refer to Beech Grove Water's response to Staff's First Request, Item 7.

a. State whether meter inaccuracies noted in the master meter test would have an impact on Beech Grove Water's water loss calculation.

b. If Item 12a can be confirmed, provide the estimated water loss impact to Beech Grove's total water loss, with supporting calculation.



Linda C. Bridwell, PE
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Public Service Commission
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DATED MAY 23 2022

cc: Parties of Record

Case No. 2022-00054

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