

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BLACK)	CASE NO.
MOUNTAIN UTILITY DISTRICT FOR A RATE)	2022-00275
ADJUSTMENT PURSUANT TO 807 KAR 5:076)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO BLACK MOUNTAIN UTILITY DISTRICT

Black Mountain Utility District (Black Mountain District), 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 October 7, 2022. The Commission directs Black Mountain 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 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.

Black Mountain District shall make timely amendment to any prior response if Black Mountain 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 Black Mountain District fails or refuses to furnish all or part of the requested information, Black Mountain 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, Black Mountain 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, rows, and columns unprotected and fully accessible:

a. The general ledger and trial balance for the calendar years 2020, 2021, and 2022 to date.

b. The trial balance for the calendar years 2020, 2021, and 2022 to date.

c. General Liability Insurance policies for 2020, 2021, and the current period, if available.

d. A document detailing the names, job titles, job descriptions, and pay rates for each employee on December 31, 2019, December 31, 2020, December 31, 2021, and for those currently employed.

e. 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.

f. Minutes from Black Mountain District Board of Commissioner meetings for the calendar years 2020, 2021 and the current period.

g. A document listing the name of all Black Mountain District board members for each of the five previous years, and state, individually, the total amount of each benefit paid to, or on the behalf of, each director during each year (i.e., wages, health insurance premiums, life insurance premiums, FICA taxes, etc.).

h. Provide a copy of the financial audit (or compilation) for years 2019, 2020, and 2021.

i. Provide an accounts receivable aging by customer for 2020 and 2021.

j. Provide water purchase invoices for 2020, 2021 and year to date 2022.

k. Provide gallons sold by month for 2019, 2020, 2021, and 2022 year to date.

2. Provide a copy of the Adjusted Trial Balance showing unaudited account balances, audit adjustments, and audited balances for the calendar years ended 2020

and 2021 in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

3. State the last time Black Mountain District performed a cost of service study (COSS) to review the appropriateness of its current rates and rate design.

a. Explain whether Black Mountain District considered filing a COSS with the current rate application and the reasoning for not filing one.

b. Explain whether any material changes to Black Mountain District's system would cause a new COSS to be prepared since the last time it has completed one.

c. If there have been no material changes to Black Mountain District's system, explain when Black Mountain District anticipates completing a new COSS.

d. Provide a copy of the most recent COSS that has been performed for Black Mountain District's system in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

4. Provide the number of new tap-ons installed by meter size for 2020.

a. State whether Black Mountain District keeps a record of the dollar amounts of labor and materials used to install new customer taps. If so, state the amount of labor expense and materials expense for the test year and where it is located in the general ledger.

b. Separately, state the amounts expensed to install each new meter during the test year.

c. Provide revised cost justification sheets to support any changes to the Meter Connection/Tap-on Fee.

5. Provide the total amount collected for each nonrecurring charge and the number of occurrences for each nonrecurring charge that was assessed during the test year that is listed in the current tariff. If the revenue consists of occurrences for any nonrecurring charge that was zero, include that charge and indicate that zero revenue was received.

6. Provide an updated cost justification for all nonrecurring charges listed in Black Mountain District's tariff.

7. Refer to the Application, Attachment 4, Table B, Debt Service Schedule, and refer to the Application, Attachment 8, at page 184 through 188 of the PDF.

a. Provide the original promissory note and supporting documents for the note number 180018511 listed as what is being refinanced on the promissory note of July 1, 2020, loan number 180002495.

b. State whether the note listed in the application was paid in full as of the maturity date of August 1, 2021. If the note was not paid in full, provide all documentation indicating the current status, including current principal, of the loan.

8. Provide the total amount collected and number of occurrences for late payment fees assessed in calendar years 2017, 2018, and 2019.

9. Refer to the Application, Attachment 5, 2020 Current Billing Analysis. Provide support for the billing adjustments of (\$63,842).



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
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DATED SEP 15 2022

cc: Parties of Record

Case No. 2022-00275

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