

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF THE CITY OF)	
LOUISA REVISING ITS WHOLESALE WATER)	CASE NO.
SERVICE RATES TO BIG SANDY WATER)	2023-00146
DISTRICT)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO CITY OF LOUISA

City of Louisa (Louisa), pursuant to 807 KAR 5:001E, shall file with the Commission an electronic version of the following information. The information requested is due on June 1, 2023. The Commission directs Louisa 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.

Louisa shall make timely amendment to any prior response if Louisa 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 Louisa fails or refuses to furnish all or part of the requested information, Louisa 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, Louisa shall, in accordance with 807 KAR 5:001E, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to Louisa's Tariff Filing (Filing) dated April 28, 2023, "Cost to Produce Water for Wholesale to Big Sandy Water District (BSWD)" on page 4 of 4 total pages. Also refer to the Commission's Order dated May 2, 2023 (May 2, 2023 Order), which established this proceeding, at PDF pages 12, 13, 28, and 29 of 89 total pages. Also refer to the May 2, 2023 Order at PDF page 87 of 89, which reflects a supporting schedule for the 2022 audited financial statements, column designated "Water" with total expense of

\$2,151,578 and depreciation of \$403,649. A comparison of the total expenses reported for the proposed wholesale rate calculation and the total water expenses reported in the audited financial statements is below:

<u>Operating Expenses</u>	<u>Reference</u>	<u>Utility Schedule 01/01/22 - 12/31- 22</u>	<u>June 30, 2022 Audited Financial Statements</u>
Admin (Water Only) (50% of total of \$520,239.43)	Order page 12 of 89	260,119.00	
Distribution	Order page 13 of 89	1,158,056.02	
WTP	Order page 28 and 29 of 89	1,415,751.03	
Consolidated Water	Order page 87 of 89 (Water)		2,151,578
Add Back Depreciation	Order page 87 of 89 (Water Depreciation)		(403,649)
Net Pension / OPEB Impact			not determined
Total Expenses (excludes debt service)		<u>\$ 2,833,926</u>	<u>\$ 1,747,929</u>
Expenses Included in Rate Calculation in Excess of Audited Expenses			<u>\$ 1,085,997</u>
Percentage Difference			<u>62.13%</u>

Recognizing that both columns presented are for twelve month periods that overlap for a six-month period, provide a detailed explanation to support the proposed expense base of \$2,833,926 versus the audited expense amount, excluding depreciation of \$1,747,929. Provide all numerical details and calculations in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

2. Refer to May 2, 2023 Order at PDF pages 43 through 47 and page 87 of 89 total pages, collectively referred to as the financial statements for the proprietary funds for the year ended June 30, 2022. Provide the amount of pension and other post retirement employment (OPEB) expense in excess of amount contributed for 2022 that is

embedded in the Water Fund operating expenses. Show all calculations in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
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DATED MAY 17 2023

cc: Parties of Record

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