

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF SOUTHEAST)	CASE NO.
DAVIESS COUNTY WATER DISTRICT FOR AN)	2020-00195
ALTERNATIVE RATE ADJUSTMENT)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
TO SOUTHEAST DAVIESS COUNTY WATER DISTRICT

Southeast Daviess County Water District (Southeast Daviess District), pursuant to 807 KAR 5:001, is to file with the Commission the following information 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, Southeast Daviess 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.

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

- a. General ledger and trial balance for the calendar years 2018, 2019, and 2020 to date;
- b. Schedule of notes and bonds payable on December 31, 2018;

December 31, 2019; and the current period;

c. All debt agreements/bond ordinances and amortization schedules, including related party debt;

d. Insurance policies for 2018 and 2019 and the current period, if available;

e. Hours worked by each employee for the calendar year 2019;

f. A document listing the names, job titles, job description, and pay rates for each employee on December 31, 2015; December 31, 2016; December 31, 2017; December 31, 2018; December 31, 2019; and for those currently employed;

g. List and describe all employee benefits, other than salaries and wages, paid to, or on behalf of, each employee for each of the previous five years;

h. Minutes from Southeast Daviess District Commissioner meetings for the calendar years 2018, 2019, and the current period;

i. 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.); and

j. Fiscal Court minutes approving each Commissioner's 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 Southeast Daviess District's application, Attachment 4, Current and Proposed Rates. Southeast Daviess District proposes to raise its monthly water service rates by an across-the-board percentage amount.

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 Southeast Daviess District considered and an explanation as to why each alternative was not chosen to increase its monthly water service rates.

4. Refer to Southeast Daviess District's application, Attachment 6, 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 (\$411) in the Summary section. Include a description of each adjustment and the method in which the amount of each adjustment was determined.

5. A review of records on file with the Commission shows that Southeast Daviess District last filed a cost-of-service study (COSS) in Case No. 2011-00481.

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

b. If there has been no material changes to the Southeast Daviess District's system, explain when Southeast Daviess District anticipates completing a new COSS.

6. Refer to Southeast Daviess District's 2019 annual report, page 57. Line 30, Total Other Water Used, is stated as 55,231,000 gallons, which equates to 8.0902 percent of the water purchased by Southeast Daviess District.²

a. Provide a detailed explanation of how the amounts were determined for each of the categories listed as Other Water Used.

b. Provide copies of all documents relied upon to support the amounts of water usage for each of the categories listed as Other Water Used.

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



Kent A. Chandler
Acting Executive Director
Public Service Commission
P.O. Box 615
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DATED JUL 31 2020

cc: Parties of Record

² 2019 Annual Report, page 57, line 31 divided by line 4.

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