

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF SOUTHERN)	CASE NO.
WATER AND SEWER DISTRICT FOR AN)	2022-00099
ALTERNATIVE RATE ADJUSTMENT)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO SOUTHERN WATER & SEWER DISTRICT

Southern Water & Sewer District (Southern 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 July 19, 2022. The Commission directs Southern 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.

Southern District shall make timely amendment to any prior response if Southern 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 Southern District fails or refuses to furnish all or part of the requested information, Southern 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, Southern 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. For each of Southern District's Commissioners, provide the fiscal court minutes appointing each commissioner and the amount of approved compensation.
2. Provide copies of the most recent training records for each current commissioner that receives a salary over \$3,600 in compliance with KRS 74.020(7)(a).
3. Refer to Southern District's response to Commission Staff's First Request for Information (Staff's First Request), Item 1a, 2021 General Ledger. Also refer to Case

No. 2020-00228, First Supplemental Response of Prestonsburg City's Utilities Commission, Exhibit B, Financial Management Services Contract.²

a. Provide the revenue account where the 3 percent "Basic Charge", designated as an "Administrative Fee", is recorded for Financial Services that are provided by Southern District to Prestonsburg City's Utilities Commission (PCUC) in relation to wastewater accounts that were transferred from Southern District to PCUC.

b. Provide the dollar amount of revenue for the Administrative Fee that was recorded for the test year.

4. Refer to Southern District's response to Staff's First Request, Item 1a, 2021 General Ledger.

a. Provide copies of invoices to support amounts charged to account 64102, Supplies – Transmission and Distribution (T&D), for each of the transactions below:

Date	Reference	Description	Amount
01/21/21	17108	LAYNE	5,000.00
01/31/21	12	CI THORNBURG - AP	9,668.00
02/16/21	17137	CITCO WATER	9,668.00
06/30/21	13	BOYD ASPHALT - AP	6,548.00
07/19/21	17382	BOYDS ASPHALT	2,635.00
07/31/21	8	BOYD ASPHALT - AP	3,913.00
08/17/21	17418	BOYD ASPHALT	2,145.00
08/31/21	15	BOYD ASPHALT - AP	1,768.00
11/30/21	10	BOYD ASPHALT - AP	1,500.00

b. For each expenditure provide the following:

(1) The common project name for which the expenditure was made.

(2) Whether the expenditure is a component of a capital project.

² Case No. 2020-00228, *Electronic Investigation into Transfer of Ownership to Prestonsburg City Utilities Commission of the Wastewater System and Certain Portions of the Water System of Southern Water and Sewer District Pursuant to KRS 278.250 and KRS 278.390* (filed Aug. 13, 2020), Exhibit B.

(3) The purpose of the expenditure and a description of the product or service provided.

5. Refer to Southern District’s response to Staff’s First Request, Item 1i, accounts receivable aging. The response did not provide the information requested. Provide an accounts receivable aging that ties to the \$1,615,848.46 balance that is reported for Water as of December 31, 2021, in the format below.

Description	Current (1 - 30)	31 - 60	61 - 90	91 +	Total
Dollars	Dollars	Dollars	Dollars	Dollars	1,615,848.46
Number of Customers	number	Number	Number	Number	Total Number

6. Refer to Southern District’s response to Staff’s First Request, Item 1k, accounts payable aging. Provide an accounts payable aging that ties to the \$178,208.70 balance that is reported as of December 31, 2021, in the format below.

Supplier	Current (1 - 30)	31 - 60	61 - 90	91 +	Total
Name	Dollars	Dollars	Dollars	Dollars	Total
Name	Dollars	Dollars	Dollars	Dollars	Total
Etc	Dollars	Dollars	Dollars	Dollars	Total
Total	Total	Total	Total	Total	Total

7. Refer to the Application, Attachment 8, Outstanding Debt Instruments at 142 and Southern District’s response to Staff’s First Request, Item 3a. State whether the modification agreements included in the application and in the response were an extension of the original promissory note from November 17, 2017, or if the modification agreements were a refinancing of the indebtedness.

8. Refer to Southern District's response to Staff's First Request, Item 1f, 2021 Board Minutes at 34–35, October 25, 2021 board meeting. Confirm the loan being discussed in agenda item H is the Citizens Bank of Kentucky loan from the modification agreement in the Application, Attachment 8, Outstanding Debt Instruments at 142.

9. Refer to Southern District's response to Staff's First Request, Item 4, SWS1_4-Adjustments.xls, Salaries and Wages Associated Adjustments.

a. Provide the purpose of hours exceeding 2,080 in the column designated "Pro Forma Reg. Hrs."

b. Provide the policy for "on call" pay.

10. Refer to Southern District's response to Staff's First Request, Item 4, Exhibit SWS1_4-Adjustments.xls, Water Loss.

a. Explain what type of customers constitute Other Water Sold of 1,810,000 gallons and the rate(s) in the tariff that applies to those customers.

b. Explain the "other use" under Water Loss Adjustments that constitute the entry Uses of Other Water of 3,864,000 gallons.



Linda C. Bridwell, PE
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DATED JUL 01 2022

cc: Parties of Record

Case No. 2022-00099

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