

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF WATER)	
SERVICE CORPORATION OF KENTUCKY FOR)	
A GENERAL ADJUSTMENT IN EXISTING RATES)	CASE NO.
AND A CERTIFICATE OF PUBLIC)	2022-00147
CONVENIENCE AND NECESSITY TO DEPLOY)	
ADVANCED METERING INFRASTRUCTURE)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO WATER SERVICE CORPORATION OF KENTUCKY

Water Service Corporation of Kentucky (Water Service Corp), 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 28, 2022. The Commission directs Water Service Corp 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.

Water Service Corp shall make timely amendment to any prior response if it 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 Water Service Corp fails or refuses to furnish all or part of the requested information, Water Service Corp 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, Water Service Corp 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 the following expense account data:
 - a. Schedules, in comparative form, showing the operating expense account balance for the base period and each of the three most recent calendar years for each account or subaccount included in the utility's annual report. Show the percentage of increase or decrease of each year over the prior year.
 - b. A listing, with descriptions, of all activities, initiatives or programs undertaken or continued by the utility since its last general rate case for the purpose of

minimizing costs or improving the efficiency of its operations or maintenance activities. Include all quantifiable realized and projected savings.

2. Provide, in the format provided in Schedule A, schedules showing a comparison of the balance in the revenue accounts for each month of the base period to the same month of the immediately preceding 12-month period for each revenue account or subaccount included in the utility's chart of accounts. Include appropriate footnotes to show the month each rate change was approved and the month the full impact of the change was recorded in the accounts.

3. As the historical data becomes available, provide detailed monthly income statements for each forecasted month of the base period including the month in which the Commission hears this case.

4. Provide the utility's cash account balances at the beginning of the most recent calendar year and at the end of each month through the date of this request.

5. Provide the following monthly account balances and a calculation of the average (13-month) account balances for the 12 months preceding the base period:

- a. Plant in service (Account No. 101);
- b. Plant purchased or sold (Account No. 102);
- c. Property held for future use (Account No. 105);
- d. Completed construction not classified (Account No. 106);
- e. Construction work in progress (Account No. 107);
- f. Depreciation reserve (Account No. 108);
- g. Materials and supplies (include all accounts and subaccounts);
- h. Computation and development of minimum cash requirements;

i. Balance in accounts payable applicable to amounts included in utility plant in service (if actual is indeterminable, provide a reasonable estimate.);

j. Balance in accounts payable applicable to amounts included in plant under construction (if actual is indeterminable, provide a reasonable estimate.); and

k. Balance in accounts payable applicable to prepayments by major category or subaccount.

6. Provide a detailed analysis of expenses for professional services during the 12 months preceding the base period, as shown in Schedule B, and all workpapers supporting the analysis. At a minimum, the workpapers should show the payee, dollar amount, reference (i.e., voucher no., etc.), account charged, hourly rates and time charged to the company according to each invoice, and a description of the services provided.

7. Provide the following information:

a. A detailed analysis of charges booked for advertising expenditures during the 12 months preceding the base period. Include a complete breakdown of Account No. 660 – Advertising Expenses, and any other advertising expenditures included in any other expense accounts, as shown in Schedule C1. The analysis should specify the purpose of the expenditure and the expected benefit to be derived.

b. An analysis of Account No. 675 – Miscellaneous General Expenses for the 12 months preceding the base period. Include a complete breakdown of this account as shown in Schedule C2 and provide detailed workpapers supporting this analysis. At a minimum, the analysis should show the date, vendor, reference (i.e.,

voucher no., etc.), dollar amount, and brief description of each expenditure of \$500 or more, provided that lesser items are grouped by classes as shown in Schedule C2.

c. An analysis of Accounts No. 433 and 434 – Extraordinary Income and Extraordinary Deductions for the 12 months preceding the base period. Include a complete breakdown of this account as shown in Schedule C3, and provide detailed workpapers supporting this analysis. At a minimum, the analysis should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount, and a brief description of each expenditure of \$500 or more, provided that lesser items are grouped by classes as shown in Schedule C3.

8. Provide an analysis of the utility's expenses for research and development activities for the base period and the three most recent calendar years. The analysis should include the following:

a. The basis of fees paid to research organizations and the utility's portion of the total revenue of each organization. Where the contribution is monthly, provide the current rate and the effective date.

b. Details of the research activities conducted by each organization.

c. Details of services and other benefits provided to the utility by each organization.

d. Annual expenditures of each organization with a basic description of the nature of costs incurred by the organization.

e. Details of the expected benefits to the utility.

9. Provide the following information for the most recent calendar year concerning the utility and any affiliated service corporation or corporate service division/unit:

a. A schedule detailing the costs charged, either directly or allocated, by the utility to the service corporation. Indicate the utility's accounts in which these costs were originally recorded. For costs that are allocated, include a description of the allocation factors utilized.

b. A schedule detailing the costs charged, either directly or allocated, by the service corporation to the utility. Identify the utility's accounts in which these costs were recorded. For costs that are allocated, include a description of the allocation factors utilized.

10. Provide the following information for the most recent calendar year concerning all affiliate-related activities not identified in response to Item 11:

a. Provide the names of affiliates that provided some form of service to the utility and the type of service the utility received from each affiliate.

b. Provide the names of affiliates to whom the utility provided some form of service and the type of service the utility provided to each affiliate.

c. Identify the service agreement with each affiliate, state whether the service agreement has been previously filed with the Commission, and identify the proceeding in which it was filed. Provide each service agreement that has not been previously filed with the Commission.

11. Describe the utility's lobbying activities and provide a schedule showing the name, salary, and job title of each individual whose job function involves lobbying on the local, state, or national level.

12. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the following categories:

- (1) Accounting;
- (2) Engineering;
- (3) Legal;
- (4) Consultants; and
- (5) Other Expenses (Identify separately).

b. For each category identified in Item 14.a., the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of contracts or other documentation that support charges incurred in the preparation of this case. Identify any costs incurred for this case that occurred during the base period.

c. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in Item 14(a), with an estimate of the hours to be worked and the rates per hour. Include a detailed

explanation of how the estimate was determined, along with all supporting workpapers and calculations.

d. Provide monthly updates of the actual costs incurred in conjunction with this rate case, reported in the manner requested in Items 14.a. and 14.b., and a cumulative total of cost incurred to date for each category. Updates will be due when the utility files its monthly financial statements with the Commission, through the month of the public hearing.

13. Provide the following information with regard to uncollectible accounts for the three most recent calendar years:

- a. Reserve account balance at the beginning of the year;
- b. Charges to the reserve account (accounts charged off);
- c. Credits to reserve account;
- d. Current year provision;
- e. Reserve account balance at the end of the year; and
- f. Percent of provision to total revenue.

14. Provide the amount of excess deferred federal income taxes resulting from the reductions in the corporate tax rate in 1986 and 2018, as of the end of the most recent calendar year. Show the amounts associated with each reduction separately.

15. Provide the following tax data for the most recent calendar year:

- a. Income taxes:
 - (1) Federal operating income taxes deferred – accelerated tax depreciation.
 - (2) Federal operating income taxes deferred – other (explain).

(3) Federal income taxes – operating.

(4) Income credits resulting from prior deferrals of federal income taxes.

- (5) Investment tax credit net.
- (a) Investment credit realized.
 - (b) Investment credit amortized – Revenue Act of 1971.

(6) The information in Item 17.a.(1–4) for state income taxes.

(7) A reconciliation of book to federal taxable income as shown in Schedule D1 and a calculation of the book federal income tax expense for the base period using book taxable income as the starting point.

(8) A reconciliation of book to state taxable income as shown in Schedule D2 and a calculation of the book state income tax expense for the base period using book taxable income as the starting point.

b. An analysis of Kentucky Other Operating Taxes as shown in Schedule D3.

16. Provide a copy of federal and state income tax returns for the most recent tax year, including supporting schedules.

17. Provide a schedule of franchise fees paid to cities, towns, or municipalities, including the basis of these fees.

18. Provide the journal entries relating to the purchase of utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise currently included in rate base. Also, provide a schedule showing the calculation of the acquisition adjustment at the date of purchase for each item of utility

plant, the amortization period, and the unamortized balance at the beginning of the base period.

19. Provide the utility's rate base, capital structure, and statement of income for the most recent 12 months preceding the base period and for the base period. Provide a reconciliation with detailed explanations.

20. Provide the capital structure at the end of the five most recent calendar years and each of the other periods shown in Schedule E1 and Schedule E2.

21. Provide the following:

a. A list of all outstanding issues of long-term debt as of the end of the latest calendar year together with the related information as shown in Schedule F1.

b. An analysis of short-term debt as shown in Schedule F2 as of the end of the latest calendar year.

22. Provide a reconciliation and detailed explanation of each difference, if any, in the utility's capitalization and net investment rate base for the base period and forecast period.

23. Provide the information shown in Schedule G for each construction project in progress, or planned to be in progress, during the 12 months preceding the base period, the base period, and the forecasted test period.

24. Provide, in the format provided in Schedule H, an analysis of the utility's Construction Work in Progress (CWIP) as defined in the Uniform System of Accounts for each project identified in Schedule G.

25. Concerning the utility's construction projects:

a. For each project started during the last five calendar years, provide the information requested in the format contained in Schedule I1. For each project, include the amount of any cost variance and delay encountered, and explain in detail the reasons for such variances and delays.

b. Using the data included in Schedule I1, calculate the annual “Slippage Factor” associated with those construction projects. The Slippage Factor should be calculated as shown in Schedule I2.

c. In determining the capital additions reflected in the base period and forecasted test period, explain whether the utility recognized a Slippage Factor.

26. Describe in detail how the base period capitalization rate was determined. If different rates were used for specific expenses (i.e., payroll, clearing accounts, depreciation, etc.), indicate the rate and how it was determined. Indicate all proposed changes to the capitalization rate and how the changes were determined.

27. Provide a calculation of the rate or rates used to capitalize interest during construction for the three most recent calendar years. Explain each component entering into the calculation of the rate(s).

28. State whether any changes have been made to the utility’s internal accounting manuals, directives, and policies and procedures since the utility’s most recent rate case. If so, provide each item that was changed and identify the changes.

29. Provide the utility’s long-term construction planning program.

30. Provide a copy of the utility’s most recent depreciation schedule. The schedule should include a list of all facilities by account number, service life and accrual

rate for each plant item, the methodology that supports the schedule, and the date the schedule was last updated.

31. Provide a complete description of the utility's Other Post-Employment Benefits package(s) provided to its employees.

32. Provide a complete description of the financial reporting and ratemaking treatment of the utility's pension costs.

33. Provide detailed descriptions of all early retirement plans or other staff reduction programs the utility has offered or intends to offer its employees during either the base period or the forecasted test period. Include all cost-benefit analyses associated with these programs.

34. Provide all current labor contracts and the most recent labor contracts previously in effect.

35. Provide the information requested in Schedule J for budgeted and actual numbers of full- and part-time employees, regular wages, overtime wages, and total wages by employee group, by month, for the three most recent calendar years, the base period, and the forecasted test period. Explain any variance exceeding 5 percent.

36. For each employee group, state the amount, percentage increase, and effective dates for general wage increases and, separately, for merit increases granted or to be granted in the past two calendar years, the base period, and the forecasted test period.

37. For the base period and three most recent calendar years, provide a schedule reflecting the job title, duties and responsibilities of each executive officer, the number of employees who report to each officer, and to whom each officer reports, and

the percentage annual increase and the effective date of each increase. For employees elected to executive officer status since the test year in the utility's most recent rate case, provide the salaries for the persons they replaced.

38. Provide, in the format provided in Schedule K, the following information for the utility's compensation and benefits, for the three most recent calendar years and the base period. Provide the information individually for each corporate officer and by category for Directors, Managers, Supervisors, Exempt, Non-Exempt, Union, and Non-Union Hourly. Provide the amounts, in gross dollars, separately for total company operations and jurisdictional operations.

- a. Regular salary or wages.
- b. Overtime pay.
- c. Excess vacation payout.
- d. Standby/Dispatch pay.
- e. Bonus and incentive pay.
- f. Any other forms of incentives, including stock options or forms of deferred compensation (specify).
- g. Other amounts paid and reported on the employees' W-2 (specify).
- h. Healthcare benefit cost.
 - (1) Amount paid by the utility.
 - (2) Amount paid by the employee.
- i. Dental benefits cost.
 - (1) Amount paid by the utility.
 - (2) Amount paid by the employee.

- j. Vision benefits cost.
 - (1) Amount paid by the utility.
 - (2) Amount paid by the employee.
- k. Life insurance cost.
 - (1) Amount paid by the utility.
 - (2) Amount paid by the employee.
- l. Accidental death and disability benefits.
 - (1) Amount paid by the utility.
 - (2) Amount paid by the employee.
- m. Defined Benefit Retirement cost.
 - (1) Amount paid by the utility.
 - (2) Amount paid by the employee.
- n. Defined Contribution – 401(k) or similar plan cost. Provide the amount paid by the utility.
- o. Cost of any other benefit available to an employee, including fringe benefits (specify).

39. For each benefit listed in Item 41 above for which an employee is required to pay part of the cost, provide a detailed explanation as to how the employee contribution rate was determined.

40. Provide a listing of all health care plan categories, dental plan categories, and vision plan categories available to corporate officers individually and to groups defined as Directors, Managers, Supervisors, Exempt, Non-Exempt, Union, and Non-Union Hourly employees (e.g., single, family, etc.). Include the associated employee

contribution rates and employer contribution rates of the total premium cost for each category, and each plan's deductible(s) amounts.

41. Provide each medical insurance policy that the utility currently maintains.

42. Provide a listing of all life insurance plan categories available to corporate officers individually and to groups defined as Directors, Managers, Supervisors, Exempt, Non-Exempt, Union, and Non-Union Hourly employees. Include the associated employee contribution rates and employer contribution rates of the total premium cost for each plan category.

43. Provide a listing of all retirement plans available to corporate officers individually and to groups defined as Directors, Managers, Supervisors, Exempt, Non-Exempt, Union, and Non-Union Hourly employees. Include the associated employee contribution rates, if any, and employer contribution rates of the total cost for each plan category.

44. Concerning employee fringe benefits:

a. Provide a detailed list of all fringe benefits available to the utility's employees. Indicate any fringe benefits that are limited to management employees.

b. Provide comparative cost information for the 12 months preceding the base period and the base period. Explain any changes in fringe benefits occurring over this 24-month period.

45. State whether the utility, through an outside consultant or otherwise, performed a study or survey to compare its wages, salaries, benefits, and other compensation to those of other utilities in the region, or to other local or regional enterprises.

a. If comparisons were performed, provide the results of the study or survey, including all workpapers and discuss the results of such comparisons. State whether any adjustments to wages, salaries, benefits, and other compensation in the rate application are consistent with the results of such comparisons.

b. If comparisons were not performed, explain why such comparisons were not performed.

46. Regarding the utility's employee compensation policy:

a. Provide the utility's written compensation policy as approved by the board of directors.

b. Provide a narrative description of the compensation policy, including the reasons for establishing the policy and the utility's objectives for the policy.

c. Explain whether the compensation policy was developed with the assistance of an outside consultant. If the compensation policy was developed or reviewed by a consultant, provide any study or report provided by the consultant.

d. Explain when the utility's compensation policy was last reviewed or given consideration by the board of directors.

e. Explain whether the utility's expenses for wages, salaries, benefits, and other compensation included in the base period and any adjustments to the base period, are compliant with the board of director's compensation policy.

47. To the extent not provided in the responses above, provide all wage, compensation, or employee benefits studies, analyses, or surveys conducted since the utility's last rate case or that are currently utilized by the utility.

48. Provide the average number of customers on the utility's system (actual and projected), by rate schedule, for the base period and the three most recent calendar years.

49. To the extent not already provided, provide a copy of each cost of service study, billing analysis, and all exhibits and schedules that were prepared in the utility's rate application in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

50. To the extent not already provided, provide all workpapers, calculations, and assumptions the utility used to develop its forecasted test period financial information in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED JUN 13 2022

cc: Parties of Record

Water Service Corporation of Kentucky
Case No. 2022-00147

Analysis of Professional Services Expenses
For the 12 Months Ended _____

Line No.	Item (a)	Rate Case (b)	Annual Audit (c)	Other (d)	Total (e)
1.	Legal				
2.	Engineering				
3.	Accounting				
4.	Other				
5.	Total				

Water Service Corporation of Kentucky
Case No. 2022-00147

Analysis of Advertising Expenses
(Including Account No. 660)
For the 12 Months Ended _____

Line No.	Item (a)	Sales or Promotional Advertising (b)	Institutional Advertising (c)	Conservation Advertising (d)	Rate Case (e)	Other (f)	Total (g)
1.	Newspaper						
2.	Magazines and Other						
3.	Television						
4.	Radio						
5.	Direct Mail						
6.	Sales Aids						
7.	Total						
8.	Amount Assigned to Kentucky Jurisdictional						

Note: Specify the purpose of the expenditures and the expected benefit to be derived.

Water Service Corporation of Kentucky
 Case No. 2022-00147

Analysis of Account No. 675 – Miscellaneous General Expenses
 For the 12 Months Ended _____

Line No.	Item (a)	Amount (b)
1.	Industry Association Dues	
2.	Stockholder and Debt Service Expenses	
3.	Institutional Advertising	
4.	Conservation Advertising	
5.	Rate Department Load Studies	
6.	Director's Fees and Expenses	
7.	Dues and Subscriptions	
8.	Miscellaneous	
9.	Total	
10.	Amount Assigned to Kentucky Jurisdictional	

Note: Include detailed workpapers supporting this analysis. Expenditures under \$500 are to be grouped by the classes shown on this Schedule.

Water Service Corporation of Kentucky
Case No. 2022-00147

Analysis of Account No. 433 and 434 – Extraordinary Income and Expense
For the 12 Months Ended _____

Line No.	Item (a)	Amount (b)
1.	Donations	
2.	Civic Activities	
3.	Political Activities	
4.	Other	
5.	Total	

Note: Include detailed workpapers supporting this analysis. Expenditures under \$500 are to be grouped by the classes shown on this Schedule.

Water Service Corporation of Kentucky
Case No. 2022-00147

Reconciliation of Book Net Income and Federal Taxable Income
12 Months Ended December 31, _____

Line No.	Item (a)	Total Company (b)	Total Company Non-Operating (c)	Operating	
				Kentucky Retail (d)	Other Jurisdictional (e)
1.	Net income per books				
2.	Add income taxes:				
3.	Federal income tax – current				
4.	Federal income tax – deferred depreciation				
5.	Federal income tax – deferred other				
6.	Investment tax credit adjustment				
7.	Federal income taxes charged to other income and deductions				
8.	State income taxes				
9.	State income taxes charged to other income and deductions				
10.	Total				
11.	Flow through items:				
12.	Add (itemize)				
13.	Deduct (itemize)				
14.	Book taxable income				
15.	Differences between book taxable income and taxable income per tax return:				
16.	Add (itemize)				
17.	Deduct (itemize)				
18.	Taxable income per return				

Note: (1) Provide a calculation of the amount shown on Lines 3 through 7 above.
(2) Provide workpapers supporting each calculation including the depreciation for straight-line tax and accelerated tax depreciation.
(3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost above.

Water Service Corporation of Kentucky
Case No. 2022-00147

Reconciliation of Book Net Income and State Taxable Income
12 Months Ended December 31, _____

Line No.	Item (a)	Total Company (b)	Total Company Non-Operating (c)	Operating	
				Kentucky Retail (d)	Other Jurisdictional (e)
1.	Net income per books				
2.	Add income taxes:				
3.	Federal income tax – current				
4.	Federal income tax – deferred depreciation				
5.	Federal income tax – deferred other				
6.	Investment tax credit adjustment				
7.	Federal income taxes charged to other income and deductions				
8.	State income taxes				
9.	State income taxes charged to other income and deductions				
10.	Total				
11.	Flow through items:				
12.	Add (itemize)				
13.	Deduct (itemize)				
14.	Book taxable income				
15.	Differences between book taxable income and taxable income per tax return:				
16.	Add (itemize)				
17.	Deduct (itemize)				
18.	Taxable income per return				

Note: (1) Provide a calculation of the amount shown on Lines 3 through 7 above.

(2) Provide workpapers supporting each calculation including the depreciation for straight-line tax and accelerated tax depreciation.

(3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above.

Water Service Corporation of Kentucky
Case No. 2022-00147

Analysis of Other Operating Taxes
12 Months Ended December 31, _____

"000 Omitted"

Line No.	Item (a)	Charged Expense (b)	Charged to Construction (c)	Charged to Other Accounts ⁽¹⁾ (d)	Amounts Accrued (e)	Amount Paid (f)
1.	Kentucky Retail					
	(a) State income					
	(b) Franchise fees					
	(c) Ad valorem					
	(d) Payroll (employers portion)					
	(e) Other taxes					
2.	Total Retail [L1(a) through L1(e)]					
3.	Other jurisdictions					
	Total per books (L2 and L3)					

(1) Explain items in this Column.

Water Service Corporation of Kentucky
Case No. 2022-00147

Calculation of Average Capital Structure
12 Months Ended _____

“000 Omitted”

Line No.	Type of Capital	5 th Year		4 th Year		3 rd Year		2 nd Year		1 st Year		Latest Available Quarter	
		Amount	Ratio	Amount	Ratio								
1.	Long-Term Debt												
2.	Short-Term Debt												
3.	Preferred & Preference Stock												
4.	Common Equity												
5.	Other (Itemize by type)												
6.	Total Capitalization												

Instructions: If the applicant is a member of an affiliated group, the above data is to be provided for the parent company and the system consolidated.

Water Service Corporation of Kentucky
Case No. 2022-00147

Calculation of Average Capital Structure
12 Months Ended December 31, _____

“000 Omitted”

Line No.	Item (a)	Total Capital (b)	Long-Term Debt (c)	Short-Term Debt (d)	Preferred Stock (e)	Common Stock (f)	Retained Earnings (g)	Total Common Equity (h)
1.	Balance at beginning of most recent calendar year							
2.	1 st Month							
3.	2 nd Month							
4.	3 rd Month							
5.	4 th Month							
6.	5 th Month							
7.	6 th Month							
8.	7 th Month							
9.	8 th Month							
10.	9 th Month							
11.	10 th Month							
12.	11 th Month							
13.	12 th Month							
14.	Total (L1 through L13)							
15.	Average Balance (L14 / 13)							
16.	Average Capitalization Ratios							
17.	End-of-period Capitalization Ratios							

Instructions: 1. If applicable, provide an additional schedule in the above format excluding common equity in subsidiaries from the total company capital structure. Show the amount of common equity excluded.
2. Include a premium class of stock.

Water Service Corporation of Kentucky
Case No. 2022-00147

Schedule of Outstanding Long-Term Debt
For the Year Ended December 31, _____

Line No.	Type of Debt Issue (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Coupon Interest Rate ⁽¹⁾ (e)	Cost Rate at Issue ⁽²⁾ (f)	Cost Rate at Maturity ⁽³⁾ (g)	Bond Rating at Time of Issue ⁽⁴⁾ (h)	Type of Obligation (i)	Annualized Cost Col. (d) x Col. (g) (j)
Total Long-Term Debt and Annualized Cost										
Annualized Cost Rate [Total Col. (j) / Total Col. (d)]										

(1) Nominal Rate

(2) Nominal Rate plus Discount or Premium Amortization

(3) Nominal Rate plus Discount or Premium Amortization and Issuance Cost

(4) Standard and Poor's, Moody, etc.

Water Service Corporation of Kentucky
Case No. 2022-00147

Schedule of Short-Term Debt
For the 12 Months Ended December 31, _____

Line No.	Type of Debt Instrument (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Nominal Interest Rate (e)	Effective Interest Rate (f)	Annualized Interest Cost Col. (f) x Col. (d) (g)
Total Short-Term Debt							
Annualized Cost Rate [Total Col. (g) / Total Col. (d)]							
Actual Interest Paid or Accrued on Short-Term Debt During the Test Year [Report in Col. (g) of this Schedule]							
Average Short-Term Debt – Schedule E2 Line 15 Col. (d) [Report in Col. (g) of this Schedule]							
Test-Year Interest Rate [Actual Interest / Average Short-Term Debt] [Report in Col. (f) of this Schedule]							

Note: In all instances in which the Effective Interest Rate is different from the Nominal Interest Rate, provide a calculation of the Effective Interest Rate in sufficient detail to show the items of costs which cause the difference.

Water Service Corporation of Kentucky
Case No. 2022-00147

Construction Projects
As of _____

Line No. (A)	Project No. (B)	Description of Project (C)	Accumulated Costs				Estimated Physical Percent Complete
			Construction Amount (D)	AFUDC Capitalized (E)	Indirect Costs Other (F)*	Total Cost (G = D + E + F)	
			\$	\$	\$	\$	
Total							

*Explain the nature of all other indirect costs in footnotes.

Water Service Corporation of Kentucky
Case No. 2022-00147

Construction Projects
For 5 Years Ended December 31, _____

Project No.	Project Title/Description	Annual Actual Cost	Annual Original Budget	Variance in Dollars	Variance as Percent	Percent of Budget	Total Actual Project Cost	Total Budget Project Cost	Variance in Dollars	Date Original Budget Start	Date Original Budget End	Date Actual Start	Date Actual End

Water Service Corporation of Kentucky
Case No. 2022-00147

Calculation of Capital Construction Project Slippage Factor

Source: Schedule I1 – Construction Projects

Year	Annual Actual Cost	Annual Original Budget	Variance in Dollars	Variance as Percent	Slippage Factor
1					
2					
3					
4					
5					
Totals					
5 Year Average Slippage Factor (Mathematic Average of the Yearly Slippage Factors / 5 years)					

The Annual Actual Cost, Annual Original Budget, Variance in Dollars, and Variance as Percent are to be taken from Schedule I1. Total all projects for a given year.

The Slippage Factor is calculated by dividing the Annual Actual Cost by the Annual Original Budget. Calculate a Slippage Factor for each year and the Totals line. Carry Slippage Factor percentages to 3 decimal places.

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Analysis of Compensation and Benefit Data, in gross dollars
For the 12 Months Ended _____

Employee Categories	Compensation by Category ⁽¹⁾	Subtotal All Compensation	Benefit Type ⁽²⁾		Defined Contribution Plan – Utility Contribution	Other ⁽³⁾	Total Compensation and Benefits	
			Utility	Employee			Utility	Employee
Corporate Officers (Individually)								
Total Amount								
Total KY Jurisdictional								
Corporate Officers (Collectively)								
Total Amount								
Total KY Jurisdictional								
All Other Employee Categories (Separate by Category)⁽⁴⁾								
Total Amount								
Total KY Jurisdictional								
Total for All Categories								
Total Amounts								
Total KY Jurisdictional								

(1) Specify as directed in Item 41. Use additional columns as necessary.

(2) Specify as directed in Item 41. Use additional columns as necessary. Provide utility and Employee contributions for each benefit type.

(3) Specify. Use additional columns as necessary.

(4) Specify as directed in Item 41. Use additional rows as necessary. Provide total company and jurisdictional operations separately for each category.

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