

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF FLEMING)	
COUNTY WATER ASSOCIATION, INC. FOR A)	CASE NO.
RATE ADJUSTMENT PURSUANT TO 807 KAR)	2024-00275
5:076)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO FLEMING COUNTY WATER ASSOCIATION

Fleming County Water Association (Fleming Water), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on November 7, 2024. The Commission directs Fleming Water 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.

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

1. Refer to Fleming Water's response to Commission Staff's First Request for Information (Staff's First Request), Item 1a, 1a_General_Ledger_2023, Accounts 00620-0004 MTN-Master Meters, 00620-0005 Maintenance of Telemetry, and 00620-0075 MTN-Meters- Material.

- a. Provide copies of each invoice listed in the chart below.
- b. Describe each purchase and state whether it should have been capitalized.

c. If Fleming Water believes its classification as an expense is proper, explain why.

Transaction Date	Description	Reference Number	Posted Date	Debit Amount
00620-0004 MTN-MASTER METERS				
11/14/2023	337 14560 FPG	CK# 26256	12/5/2023	\$ 9,337.66
00620-0005 MAINTENANCE OF TELEMETRY				
5/9/2023	1326 14119 MICRO-COMM	CK# 25948	6/6/2023	6,075.00
00620-0075 MTN-METERS-MATERIALS				
2/6/2023	258 13923 CORE&MAIN	Draft 2/6/23	3/6/2023	24,541.68
2/13/2023	132 13917 UTILITY SOLUTIONS, LLC	CK# 25814	3/6/2023	10,612.04
3/14/2023	132 13991 UTILITY SOLUTIONS, LLC	CK# 25864	4/6/2023	24,312.63

2. Refer to Fleming Water’s response to Staff’s First Request, Item 1d, 1d_Rate_Model.xlsx, Adj Tab, Column L and Cell K17. Explain the process Fleming Water used to determine the projections of six overtime hours and 768 regular hours.

3. Refer to Fleming Water’s response to Staff’s First Request, Item 5, 5_Employee_List_2023. For each employee, provide the number of regular hours worked, overtime hours worked, and overtime hours paid during the test year separately.

4. Refer to the Application, Attachment 4, Table A, Depreciation Expense Adjustments.

a. Refer to 2024 Additions. Provide a list of all capital assets added during 2024. Include property description, book cost, date in service, service lives, and annual depreciation expense.

b. Refer to 2024 Disposals, provide the disposal date for all capital assets.

5. Provide proof of customer notice pursuant to 807 KAR 5:076, Section 5(3).

6. Refer to Fleming Water's Application, Attachment #4, Schedule of Adjusted Operations (SAO), References. Also refer to Fleming Water's Response to Staff's First Request, Item 29, 29_Late_Fees. Reconcile and explain why the adjustment amount to Forfeited Discounts of \$30,181 in the References is different from the \$31,019.01 Late Fees reported by Fleming Water in its response to Item 29.

7. Refer to Fleming Water's response to Staff's First Request, Item 30, 30_Nonrecurring_Charges, and Item 31, 31_Nonrecurring_Charges_Justifications. Also refer to Fleming Water's Tariff.

a. Reconcile and explain why Re-connection Charge (After hours) was not included in the listing of the number of occurrences for each nonrecurring charge recorded during the test year.

b. Provide cost justification sheet to support Re-connection Charge (After hours).

8. Refer to Fleming Water's response to Staff's First Request, Item 10, 10a_Insurance_Renewal_Evaluation.xlsx, Cell C21; Item 1d, 1d_Rate_Model.xlsx, cell G28; and Item 1c, 1c_Cross_Reference.xlsx, Cells H68 thru H70. In item 1d, Fleming Water proposed the \$7,786 increase by subtracting the proposed \$30,819, from Item 10, Hickerson Agency (Flemingsburg) – Kentucky League of Cities insurance proposal from the \$23,033 test year General Liability Insurance, provided in Item 1c. However, the proposed \$30,819 is composed of General Liability, Workers Compensation, and other insurances. Explain why Fleming Water compared the proposed Insurance policy to only the test year General Liability Insurance and did not include the \$3,975 workers

compensation insurance or the \$2,189 other insurances for the test year total of \$29,197 in the calculation.

9. Refer to Fleming Water's response to Staff's First Request, Item 11. Fleming Water stated the battery life for the radio read meters was only ten years; however, it did not provide any test results, or reports that support the ten-year life.

- a. Provide any failure test results that support the ten-year service life.
- b. Identify the manufacturer of each type of meter in the failure report.
- c. Identify if any of the meters are still under warranty and if any, explain any warranty benefits.



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Public Service Commission
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DATED OCT 24 2024

cc: Parties of Record

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