

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF WARREN	)	CASE NO.
COUNTY WATER DISTRICT FOR A GENERAL	)	2026-00252
ADJUSTMENT OF SEWER RATES	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO WARREN COUNTY WATER DISTRICT SEWER DIVISION

Warren County Water District Sewer Division (Warren District Sewer Division), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on or before either 14 days after submission of the rate application or 21 days after the date of service of this request, whichever is later. The Commission directs Warren District Sewer Division 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

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).

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.

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

1. To the extent not already provided, provide copies of each of the following, and when appropriate, provide in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible. If already provided in the Application, provide a reference to the document.

a. The general ledger for the calendar years 2024 and 2025, and the trial balance for the calendar years 2024 and 2025.

b. Adjusted Trial Balance showing unaudited account balances, audit adjustments, and audited balances for the calendar years 2024 and 2025.

c. Minutes from Warren District Sewer Division's Board of Commissioners (Board) meetings for the calendar years 2024, 2025, and 2026 year to date. Consider this an ongoing request.

d. Certificates of insurance policies and most recent invoices for each coverage component for 2024 and 2025, if available.

e. Using a table format, provide an Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected that, for each Warren District Sewer Division employee in 2024 and 2025 and for the pro forma calculation, describe job titles, and state the hours worked, pay rates, total regular wages, overtime paid, and total FICA cost. Include the date the employee was hired and, if applicable, the employee's termination date. If a position is recently vacated but the intent is to fill it, note the vacancy and the amount of time that it has been vacant.

f. A list that describes all employee benefits, other than salaries and wages, paid to, or on behalf of, each employee for each of the previous five years.

g. Using the same table described in Item 1e, list each employee's benefit, the employee's contribution, and the employer's premium contribution. For the health insurance benefit provided to each employee, designate the coverage type (i.e., single, family, couple, or parent plus). If benefits other than medical insurance are provided, include a total column for the cost of all benefits.

h. A document listing the name of all Board members for each of the five previous years, and state, individually, the total amount of each benefit paid to, or on behalf of, each Board member during each year (i.e., wages, health insurance premiums, life insurance premiums, FICA taxes, etc.).

2. Provide each medical insurance policy that Warren District Sewer Division currently maintains.

3. State whether Warren District Sewer Division participates in the County Employee Retirement System. If not, explain the benefits Warren District Sewer Division provides for employees' retirement.

4. Provide Warren District Sewer Division'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. Identify the number of new water connections that Warren District Sewer Division installed in calendar years 2024 and 2025.

6. Provide Warren District Sewer Division'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.

7. Provide a detailed analysis of expenses for professional services during the test year, 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.

8. Provide the following information:

a. A detailed analysis of charges booked for advertising expenditures during the test year. 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 test year. 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 test year. 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.

9. Provide an analysis of Warren District Sewer Division's expenses for research and development activities for the test year and the three most recent calendar years. The analysis should include the following:

a. The basis of fees paid to research organizations and Warren District Sewer Division'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 Warren District Sewer Division 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 Warren District Sewer Division.

10. Describe Warren District Sewer Division'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.

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

a. Provide 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 11a, 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 test year.

c. Provide 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 11a, 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 11a and 11b, and a cumulative total of cost incurred to date for each category. This information should also include an updated estimate of the total cost incurred for this case. Following the public hearing, the Commission will establish a specific deadline for Warren District Sewer Division to provide its final update. The final update of the actual costs incurred in conjunction with this rate case should include copies of any invoices or other documentation that support charges incurred in the preparation of this rate case. If necessary, provide an itemized estimate of remaining costs to be incurred for this case as of that date, and include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.

12. 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 test year.

13. 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 D1.

b. An analysis of short-term debt as shown in Schedule D2 as of the end of the latest calendar year.

14. State whether any changes have been made to Warren District Sewer Division's internal accounting manuals, directives, and policies and procedures since Warren District Sewer Division's most recent rate case. If so, provide each item that was changed and identify the changes.

15. Provide Warren District Sewer Division's long-term construction planning program.

16. Provide a copy of Warren District Sewer Division'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.

17. Provide a complete description of Warren District Sewer Division's Other Post-Employment Benefits package(s) provided to its employees.

18. Provide a complete description of the financial reporting and ratemaking treatment of Warren District Sewer Division's pension costs.

19. Provide detailed descriptions of all early retirement plans or other staff reduction programs Warren District Sewer Division has offered or intends to offer its

employees during the test year. Include all cost-benefit analyses associated with these programs.

20. For the three most recent calendar years and the test year if it is not one of the 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 Warren District Sewer Division's most recent rate case, provide the salaries for the persons they replaced.

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

22. For each employee group, state the amount, percentage increase, and effective dates for general wage increases and, separately, for merit increases granted in the past two calendar years and the test year if it is not a recent calendar year.

23. 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.

24. 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.

25. Concerning employee fringe benefits:

a. Provide a detailed list of all fringe benefits available to Warren District Sewer Division's employees. Indicate any fringe benefits that are limited to management employees.

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

26. State whether Warren District Sewer Division, 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.

27. Regarding Warren District Sewer Division's employee compensation policy:

a. Provide Warren District Sewer Division's written compensation policy as approved by the Board.

b. Provide a narrative description of the compensation policy, including the reasons for establishing the policy and Warren District Sewer Division'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 Warren District Sewer Division's compensation policy was last reviewed or given consideration by the Board.

e. Explain whether Warren District Sewer Division's expenses for wages, salaries, benefits, and other compensation included in the test year and any adjustments to the test year, are compliant with the Board's compensation policy.

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

29. Provide the average number of customers on Warren District Sewer Division's system, by rate schedule, for the three most recent calendar years and the test year if it is not a recent calendar year.

30. 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 Warren District Sewer Division's rate application in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

31. To the extent not already included in the Application, provide all workpapers, calculations, and assumptions Warren District Sewer Division used to develop its pro forma financial information in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

32. Provide a detailed explanation of the method of allocation used to allocate and Revenues and Expenses associated with any other utilities operated by Warren District Sewer Division.

33. Provide the number of occurrences and the dollar amount for late fees that were assessed during the calendar years 2024 and 2025, by year.

34. Provide the total amount collected for each nonrecurring charge and the number of occurrences for each nonrecurring charge that was assessed during the 2025 test year, by month.

35. Provide updated cost justification sheets for all nonrecurring charges listed in Warren District Sewer Division's tariff.

36. a. Provide the date that Warren District Sewer Division billing cycle begins (meter read date).

b. State whether the date that the billing cycle begins is the date that would be best stated as the effective date of any order the Commission issues concerning rates in this case.



Justin McNeil
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601-8294

DATED SEP 14 2026

cc: Parties of Record

Case No. 2026-00252

Schedule B

Warren District Sewer Division
Case No. 2026-00252Analysis 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				

Warren District Sewer Division
Case No. 2026-00252

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.

Warren District Sewer Division
Case No. 2026-00252

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.

Warren District Sewer Division
Case No. 2026-00252Analysis of Account No. 426 – Other Income Deductions
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.

Warren County Water District
Case No. 2026-00251

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.

Warren County Water District
Case No. 2026-00251

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.

Service List for Case 2026-00252

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