1670 East Hal Rogers Parkway P.O. Box 726 London, Kentucky 40743-0726

July 16, 2020

Mr. Kent Chandler **Executive Director Public Service Commission** 211 Sower Boulevard Frankfort, KY 40602

RE: Case No. 2020-00085

Dear Mr. Chandler:

Enclosed is Wood Creek Water District's response to the Staff's First Request for information dated June 23, 2020 for the above referenced case.

Sincerely,

Dewayne Lewis, Office Manager

Wood Creek Water District

## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EMERGENCY DOCKET

RELATED TO THE NOVEL CORONAVIRUS

COVID-19

) CASE NO. 2020-00085

#### **RESPONSE OF**

WOOD CREEK WATER DISTRICT

TO

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION

DATED JUNE 23, 2020

FILED: JULY 16, 2020

## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EMERGENCY

DOCKET RELATED TO THE NOVEL

CORONAVIRUS COVID-19

) CASE NO. 2020-00085

## CERTIFICATION OF RESPONSE OF [WATER DISTRICT] TO COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION

This is to certify that I have supervised the preparation of Wood Creek Water District Responses to Commission Staff's Initial Request for Information. The response submitted on behalf of Wood Creek Water District is true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Date: 07-16-2020

Dewayne Lewis

Wood Creek Water District

#### **CERTIFICATE OF SERVICE**

In accordance with 807 KAR 5:001, Section 8 and the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085 regarding electronic filings, I certify that Wood Creek Water District's Response to Commission Staff's Initial Request for Information was transmitted to the Public Service Commission by way of email on July 16, 2020 and Wood Creek Water District will file original paper copies of this filing within 30 days of the lifting of the State of Emergency.

Dewayne Lewis, Office Manager

Wood Creek Water District

CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

Question No. 1

Responding Witness: Dewayne Lewis

- Q-1. Provide the utility's current number of customers and the date used for that determination.
- A-1. 5,418 customers of as June 29, 2020.

CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

Question No. 2

Responding Witness: Dewayne Lewis

- Q-2. If applicable, provide the utility's current number of customers per class.
- A-2. 381 commercial, 5037 residential.

#### CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

#### Question No. 3

Responding Witness: Dewayne Lewis

- Q-3. If a utility provides multiple services, such as both water and sewer residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average total bill for all customers for:
  - a. 2017 as a year, not each month;
  - b. 2018 as a year, not each month;
  - c. 2019 as a year, not each month; and
  - d. Each month in 2020.

Total bill is defined as including charges for current service and past service that is unpaid, including the accumulation of fees.

- A-3. 2017 average total water bill \$64.68
  - 2017 average total sewer bill \$102.08
  - 2018 average total water bill \$67.50
  - 2018 average total sewer bill \$112.19
  - 2019 average total water bill \$67.91
  - 2019 average total sewer bill \$124.38

January 2020 avg. total water bill \$64.59

January 2020 avg. total sewer bill \$125.84

February 2020 avg. total water bill \$64.94

February 2020 avg. sewer bill \$127.81

March 2020 avg. total water bill \$60.53

March 2020 avg. total sewer bill \$117.50

April 2020 avg. total water bill \$64.30

April 2020 avg. total sewer bill \$124.99

May 2020 avg. total water bill \$66.21 May 2020 avg. total sewer bill \$132.85 June 2020 avg. total water bill \$66.48 June 2020 avg. total sewer bill \$124.26

#### CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

## Question No. 4

Responding Witness: Dewayne Lewis

- Q-4. If a utility provides multiple services, such as both water and sewer residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average total bill for all customers in each class for:
  - a. 2017 as a year, not each month;
  - b. 2018 as a year, not each month;
  - c. 2019 as a year, not each month; and
  - d. Each month in 2020.

Total bill is defined as including charges for current service and past service that is unpaid, including the accumulation of fees.

#### A-4. RESIDENTIAL:

- 2017 average total water bill \$56.33
- 2017 average total sewer bill \$77.84
- 2018 average total water bill \$59.32
- 2018 average total sewer bill \$84.21
- 2019 average total water bill \$58.71
- 2019 average total sewer bill \$89.12

January 2020 avg. total water bill \$56.38

January 2020 avg. total sewer bill \$93.60

February 2020 avg. total water bill \$56.20

February 2020 avg. total sewer bill \$96.15

March 2020 avg. total water bill \$53.27

March 2020 avg. total sewer bill \$90.21

April 2020 avg. total water bill \$56.84

April 2020 avg. total sewer bill \$91.41

May 2020 avg. total water bill \$57.19

May 2020 avg. total sewer bill \$83.80

June 2020 avg. total water bill \$58.70

June 2020 avg. total sewer bill \$92.88

#### **COMMERCIAL:**

2017 average total water bill \$170.03 2017 average total sewer bill \$237.53 2018 average total water bill \$171.12 2018 average total sewer bill \$268.86 2019 average total water bill \$185.03 2019 average total sewer bill \$325.74

January 2020 avg. total water bill \$171.15 January 2020 avg. total sewer bill \$314.09 February 2020 avg. total water bill \$177.62 February 2020 avg. total sewer bill \$309.88 March 2020 avg. total water bill \$154.20 March 2020 avg. total sewer bill \$275.49 April 2020 avg. total water bill \$161.06 April 2020 avg. total sewer bill \$322.26 May 2020 avg. total water bill \$184.58 May 2020 avg. total sewer bill \$324.37 June 2020 avg. total water bill \$168.55 June 2020 avg. total sewer bill \$311.11

## CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

#### Question No. 5

## Responding Witness: Dewayne Lewis

- Q-5. If a utility provides multiple services, such as both water and sewer residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average bill for current service for all customers for:
  - a. 2017 as a year, not each month;
  - b. 2018 as a year, not each month;
  - c. 2019 as a year, not each month; and
  - d. Each month in 2020.
- A-5. Please see next page.

## Average bill for current service

a. 2017 average water bill	\$42.30
2017 average sewer bill	\$43.83
b. 2018 average water bill	\$43.55
2018 average sewer bill	\$47.24
c. 2019 average water bill	\$44.27
2019 average sewer bill	\$52.46
d. January 2020 avg. water bill	\$46.65
January 2020 avg. sewer bill	\$58.34
February 2020 avg. water bill	\$46.72
February 2020 avg. sewer bill	\$60.21
March 2020 avg. water bill	\$41.71
March 2020 avg. sewer bill	\$49.58
April 2020 avg. water bill	\$45.18
April 2020 avg. sewer bill	\$57.84
May 2020 avg. water bill	\$46.64
May 2020 avg. sewer bill	\$67.05
June 2020 avg. water bill	\$47.14
June 2020 avg. sewer bill	\$57.55

## CASE NO. 2020-00085

Response to Commission Staff's Initial Request for Information

Question No. 6

Responding Witness: Dewayne Lewis

- Q-6. If a utility provides multiple services, such as both water and sewer residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average bill for current service for all customers in each class for:
  - a. 2017 as a year, not each month;
  - b. 2018 as a year, not each month;
  - c. 2019 as a year, not each month; and
  - d. Each month in 2020.

The differences between request 3 and request 5, and request 4 and request 6 should provide the average arrearage for all customers and for each class, respectively.

A-6. Please see next 2 pages.

Average bill for current service

## **RESIDENTIAL CUSTOMERS**

a. 2017 average water bill	\$36.36
2017 average sewer bill	\$32.24
b. 2018 average water bill	\$38.12
2018 average sewer bill	\$34.14
c. 2019 average water bill	\$37.74
2019 average sewer bill	\$35.75
d. January 2020 avg. water bill	\$40.40
January 2020 avg. sewer bill	\$42.76
February 2020 avg. water bill	\$40.15
February 2020 avg. sewer bill	\$44.63
March 2020 avg. water bill	\$36.31
March 2020 avg. sewer bill	\$37.35
April 2020 avg. water bill	\$39.52
April 2020 avg. sewer bill	\$41.41
May 2020 avg. water bill	\$39.82
May 2020 avg. sewer bill	\$41.21
June 2020 avg. water bill	\$41.19
June 2020 avg. sewer bill	\$42.15

Average bill for current service

#### **COMMERCIAL CUSTOMERS**

a. 2017 average water bill	\$123.06
2017 average sewer bill	\$117.92
b. 2018 average water bill	\$122.54
2018 average sewer bill	\$129.21
c. 2019 average water bill	\$134.65
2019 average sewer bill	\$160.39
d. January 2020 avg. water bill	\$128.73
January 2020 avg. sewer bill	\$150.86
February 2020 avg. water bill	\$132.26
February 2020 avg. sewer bill	\$151.04
March 2020 avg. water bill	\$112.13
March 2020 avg. sewer bill	\$121.00
April 2020 avg. water bill	\$119.12
April 2020 avg. sewer bill	\$155.09
May 2020 avg. water bill	\$136.69
May 2020 avg. sewer bill	\$221.34
June 2020 avg. water bill	\$125.94
June 2020 avg. sewer bill	\$150.08

#### WOOD CREEK WATER DISTRICT CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

#### Question No. 7

Responding Witness: Dewayne Lewis

- Q-7. Explain how the utility calculates bad debt.
  - a. Explain the decision criteria governing when the utility writes off bad debt.
  - b. Provide the monthly bad debt write-offs for each month in 2018, 2019 and 2020.
  - c. If the utility has changed its calculation or determination of bad debt in the past two years, explain its previous calculation or determination of bad debt and the reason for the change.
- A-7. a. Bad debt criteria: After an account closes, after three months the account goes into bad debt category. The bad accounts are written off at end of year.
  - **b.** Monthly bad debt write-offs: Our utility does not write off the bad accounts monthly. The bad accounts are written off at the end of the year. Bad debt expense for 2018 was \$49,185.96. Bad debt expense for 2019 was \$51,629.13.
  - c. Our utility has not made any changes to the calculation or determination of bad debt.

#### CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

Question No. 8

Responding Witness: Dewayne Lewis

- Q-8. Assuming the Commission's moratorium on disconnections was not in effect, provide the number of customers in each class that would be subject to disconnection, and the date used for this determination.
- A-8. As of June 30, 2020, 531 residential customers and 23 commercial customers would be subject to disconnection and would receive a termination notice.

#### CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

#### Question No. 9

## Responding Witness: Dewayne Lewis

## Q-9. Provide the percent of customers, by class, that pay on time for:

- a. 2017 as a year, not each month;
- b. 2018 as a year, not each month;
- c. 2019 as a year, not each month; and
- d. Each month in 2020
- A-9. 2017 percent of customers that paid on time = 61% 2018 percent of customers that paid on time = 64% 2019 percent of customers that paid on time = 68% January 2020 percent that paid on time = 65% February 2020 percent that paid on time = 66% March 2020 percent that paid on time = 63% April 2020 percent that paid on time = 62% May 2020 percent that paid on time = 61% June 2020 percent that paid on time = 61%

CASE NO. 2020-00085

Response to Commission Staff's Initial Request for Information

Question No. 10

Responding Witness: Dewayne Lewis

- Q-10. Provide the following information for January 1, 2015, until December 31, 2019. If a utility provides multiple services, such as both water and sewer residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Further, provide the following information by class.
  - a. Provide monthly totals of service termination notices issued to customers only for nonpayment of bills.

b. Provide monthly totals of service terminations for customers only for non-payment of bills.

c. Provide the total number of customers for each month.

This information should be provided so as not to duplicate customer counts. The information requested in this request should be presented similarly to the residential-only information provided in Case No. 2019-00366. For reference, refer to Louisville Gas and Electric Company and Kentucky Utilities Company's response to Post-Formal Conference Request for Information filed with the Commission on March 6, 2020.

A-10. Please see next 6 pages.

a. Monthly totals of service termination notices issued.

<u>2015</u>	
January	464
Februay	431
March	397
April	331
May	361
June	391
July	387
August	382
September	374
October	427
November	419
December	410
2016	

2016	
January	458
Februay	419
March	360
April	382
May	376
June	403
July	420
August	403
September	413
October	410
November	407
December	377

## a. Monthly totals of service termination notices issued.

a. Monthly tota	als of servi
2017	· ·
January	483
Februay	464
March	315
April	412
May	443
June	396
July	426
August	442
September	474
October	444
November	433
December	421
2018	
January	470
Februay	450
March	403
April	375
May	420
June	437
July	424
August	391
September	453
October	449
November	494
December	455

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January	482
Februay	437
March	275
April	349
May	411
June	431
July	450
August	420
September	394
October	356
November	389
December	428

## b. Monthly totals of service terminations.

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2015			
	Total	Residential	Commercial
January	85	80	5
Februay	0	0	0
March	94	93	1
April	46	46	0
May	88	85	3
June	53	49	4
July	69	68	1
August	58	56	2
September	72	69	3
October	64	63	1
November	0	0	0
December	95	93	2
2016			
<u>2016</u>			
January	0	0	0
Februay	95	94	1
March	41	40	1
April	81	80	1
May	60	55	5
June	69	67	2
July	65	64	1
August	48	46	2
September	58	56	2
October	76	74	2
November	57	56	1
December	0		

## b. Monthly totals of service terminations.

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2017			
	Total	Residential	Commercial
January	93	91	2
Februay	112	112	0
March	50	48	2
April	57	56	1
May	86	84	2
June	63	60	3
July	73	71	2
August	67	65	2
September	85	83	2
October	97	97	0
November	62	61	1
December	0	0	0
2018			
January	96	95	4
Februay	78	95 74	1
March	73	74 70	4
April	67	66	2
May	41	40	1
June	56	52	1
July	73	71	4
August	52	51	2 1
September	73	71	2
October	56	54	2
November	68	65	
December	0	0	3 0
2010			
<b>2019</b> January	77		
Februay	77	75 	2
	80	77	3
March April	79	78	1
May	82	80	2
June	68	64	4
July	73	70	3
950	63	60	3
August	71	69	2
September October	70	68	2
	82	78	4
November	117	114	3
December	0	0	0

## c. Total number of customers each month.

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<u>2015</u>			
	Total	Residential	Commercial
January	5,215	4,837	378
Februay	5,208	4,829	379
March	5,209	4,828	381
April	5,210	4,832	378
May	5,230	4,845	385
June	5,240	4,854	386
July	5,249	4,861	388
August	5,256	4,869	387
September	5,257	4,869	388
October	5,260	4,873	387
November	5,263	4,878	385
December	5,252	4,872	380
2016			
January	5,260	4,879	381
Februay	5,254	4,876	378
March	5,257	4,878	379
April	5,256	4,877	379
May	5,276	4,897	379
June	5,283	4,905	378
July	5,294	4,914	380
August	5,284	4,901	383
September	5,297	4,913	384
October	5,305	4,916	389
November	5,287	4,901	386
December	5,277	4,892	385

#### c. Total number of customers each month.

2017			
	Total	Residential	Commercial
January	5,273	4,888	385
Februay	5,279	4,894	385
March	5,279	4,894	385
April	5,290	4,901	389
May	5,307	4,920	387
June	5,329	4,939	390
July	5,331	4,942	389
August	5,334	4,947	387
September	5,324	4,939	385
October	5,316	4,933	383
November	5,321	4,939	382
December	5,307	4,923	384
2018			
January	5,299	4,913	386
Februay	5,305	4,919	386
March	5,292	4,907	385
April	5,306	4,920	386
May	5,317	4,931	386
June	5,333	4,948	385
July	5,346	4,960	386
August	5,351	4,966	385
September	5,346	4,962	384
October	5,354	4,968	386
November	5,339	4,952	387
December	5,329	4,944	385
2019			
January	5,316	4,933	383
Februay	5,324	4,940	384
March	5,317	4,934	383
April	5,331	4,945	386
May	5,333	4,945	388
June	5,340	4,954	
July	5,347	4,961	386 386
August	5,344	4,959	385
September	5,349	4,964	385
October	5,359	4,975	384
November	5,356	4,974	382
December	5,358	4,979	379
December	2,330	4,379	5/9

## CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

## Question No. 11

Responding Witness: Dewayne Lewis

## Q-11. Provide the total income received from late payment fees for:

- a. Each month in 2017;
- b. Each month in 2018; c. Each month in 2019; and
- d. Each month in 2020

A-11. Please see next 4 pages.

Total income received from late payment fees:

#### a. Each month in 2017:

	WATER	SEWER
JAN	6,511.09	885.73
FEB	6,513.66	1,013.86
MAR	6,374.60	1,608.20
APR	7,175.71	1,092.36
MAY	6,301.52	926.58
JUN	5,766.12	857.72
JUL	6,651.15	1,200.94
AUG	8,025.35	972.94
SEP	7,979.77	2,188.99
OCT	6,817.63	1,039.22
NOV	6,094.64	847.79
DEC	6,154.37	1,033.12
	80,365.61	13,667.45

Total income received from late payment fees:

## b. Each month in 2018:

	WATER	SEWER
JAN	5,671.08	1,034.21
FEB	8,457.11	1,474.22
MAR	5,717.10	989.32
APR	5,196.91	912.58
MAY	6,060.05	1,085.98
JUN	5,451.04	975.29
JUL	6,769.49	1,255.76
AUG	7,008.39	1,375.58
SEP	6,327.16	1,314.17
OCT	10,227.04	4,170.47
NOV	6,495.36	1,131.42
DEC	7,533.62	903.65
	80,914.35	16,622.65

Total income received from late payment fees:

#### c. Each month in 2019:

	WATER	SEWER
JAN	6,692.85	1,289.88
FEB	6,458.20	1,223.02
MAR	5,806.29	1,258.69
APR	6,319.16	1,071.31
MAY	5,649.77	794.05
JUN	5,292.65	825.50
JUL	7,156.94	992.06
AUG	6,590.76	982.25
SEP	6,076.98	923.95
OCT	6,500.32	1,107.88
NOV	5,752.35	927.03
DEC	6,226.56	1,059.75
	74,522.83	12,455.37

Total income received from late payment fees:

#### d. Each month in 2020:

	WATER	SEWER
JAN	6,127.01	1,080.68
FEB	5,186.72	927.05
MAR	0.00	0.00
APR	0.00	0.00
MAY	0.00	0.00
JUN	0.00	0.00
	11,313.73	2,007.73
	Market Warning	

#### CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

#### Question No. 12

Responding Witness: Dewayne Lewis

- Q-12. Quantify the amount of late payment fees the utility would have assessed since March 16, 2020, absent the Commission's directive.
- A-12. Amount of late payment fees that would have been assessed:

March 2020 = \$7,140.97

April 2020 = \$6,518,60 May 2020 = \$9,280.64

June 2020 = \$6,368.23

CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

Question No. 13

Responding Witness: Dewayne Lewis

Q-13. Provide copies of all general communication provided to customers regarding arrearages, late payments, payment plans, etc. since March 16, 2020. Customer-specific communication is excluded from this request.

A-13. Copies attached.



Phone: (606) 878-9420 or (800) 551-7965

At Wood Creek Water District, the health and safety of our customers, employees, and community is our top priority. To minimize the risk of exposure to the Coronavirus (COVID-19), our lobby at our office will be closed beginning Tuesday, March 17<sup>th</sup> until further notice.

Customer payments may be made at our drive thru using all payment methods, by mail using a check, or by phone and internet using a debit/credit card.

Depending on your water company, please use the following website for payment,

Wood Creek - www.woodcreekwater.net

East Laurel - www.eastlaurelwaterdistrict.com

West Laurel - www.westlaurelwaterassociation.com

We are sorry for any inconvenience this may cause; your understanding is greatly appreciated.

<sup>\*</sup>A fee applies for online payments. This fee is from our payment processing company and is not a fee imposed by Wood Creek, East Laurel, or West Laurel.



1670 East Hal Rogers Parkway Post Office Box 726 London, Kentucky 40741 Phone: (606) 878-9420 or (800) 551-7965

The health and safety of our customers, employees, and community is our top priority. To minimize the risk of exposure to the Coronavirus (COVID-19), our lobby at our office will be closed beginning Tuesday, March 17th until further notice.

Additionally, we took proactive measures as of Monday, March 16, 2020 of temporarily ceasing all service disconnections due to nonpayment as well as waving the assessment of late payment fees. Since implementing these measures, the Kentucky Public Service Commission has also ordered that all Commonwealth of Kentucky utilities that are regulated by them cease all service disconnections due to nonpayment & wave the assessment of late payment fees until further notice. The Commission also conveys that this order in no way relieves customers from the obligation to pay for service rendered. Instead, the Commission is taking this extreme measure to ensure that the many consumers who are confined to their homes in a time of emergency are provide necessary services required to maintain health and safety. KY-PSC CASE # 2020-00085

Customer payments may be made at our drive thru using all payment methods, by mail using a check, or by phone and internet using a debit/credit card. Our hours of operation remain 8 AM to 4:30 PM Monday thru Friday as well as 24/7 after hours emergency services at (606) 843-7113.

Depending on your water company, please use the following website for payment,

Wood Creek - www.woodcreekwater.net

East Laurel - www.eastlaurelwaterdistrict.com

West Laurel - www.westlaurelwaterassociation.com

\*A fee applies for online payments. This fee is from our payment processing company and is not a fee imposed by Wood Creek, East Laurel, or West Laurel.

Stay Safe, if you have any questions or concerns please contact the office at (606)-878-9420

CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

Question No. 14

Responding Witness: Dewayne Lewis

- Q-14. Provide a detailed explanation and breakout of any cost increases and decreased income (by customer class if applicable) the utility has experienced as a result of the COVID-19 State of Emergency.
- A-14. Decreased income is a loss of approximately \$29,000 in late fees.

Increased cost is approximately \$7,500 spent for gloves and other sanitizing products and approximately \$6,000 spent to set up an employee training room for online and in-house training.

CASE NO. 2020-00085

## Response to Commission Staff's Initial Request for Information

Question No. 15

Responding Witness: Dewayne Lewis

- Q-15. Provide a detailed explanation and breakout of any cost decreases and increased income the utility has experienced as a result of the COVID-19 State of Emergency.
- A-15. Our utility has not recognized any cost decreases or increased income.

CASE NO. 2020-00085

Response to Commission Staff's Initial Request for Information

Question No. 16

Responding Witness: Dewayne Lewis

Q-16. Provide any additional information or data the utility believes the Commission should consider in amending or vacating its previous Orders in this matter.

A-16. Our utility does not have any additional information or data that we believe the Commission should consider.