COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF OHIO COUNTY WATER DISTRICT FOR AN ALTERNATIVE RATE ADJUSTMENT

CASE NO. 2020-00167

RESPONSE OF OHIO COUNTY WATER DISTRICT TO COMMISSION STAFF'S E-MAIL REQUESTS FOR INFORMATION

Ohio County Water District submits the following responses to Commission Staff's

electronic mail requests for information.

Dated: August 18, 2020

Respectfully submitted,

Gerald E. Wuetcher Stoll Keenon Ogden PLLC 300 West Vine Street, Suite 2100 Lexington, Kentucky 40507-1801 Telephone: (859) 231-3017 Fax: (859) 259-3517 gerald.wuetcher@skofirm.com

Counsel for Ohio County Water District

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that Ohio County Water District's electronic filing of this Response is a true and accurate copy of the same document being filed in paper medium; that the electronic filing was transmitted to the Public Service Commission on August 18, 2020; that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding; and that within 30 days following the end of the state of emergency announced in Executive Order 2020-215 this Response in paper medium will be delivered to the Public Service Commission.

OHIO COUNTY WATER DISTRICT

Response to Commission Staff's E-Mail Requests for Information Case No. 2020-00167

Question No. 1

Responding Witness: Alan Vilines

Q-1. Refer to Ohio County Water District's Response to Commission Staff's First Request for Information, Item 3b. Provide the cost-of-service study to which Mr. Vilines refers in his response.

A-1. A copy of the cost-of-service study in Excel format is embedded in this Response and is labeled as Wholesale COSS.xlsx.

OHIO COUNTY WATER DISTRICT

Response to Commission Staff's E-Mail Requests for Information Case No. 2020-00167

Question No. 2

Responding Witness: Alan Vilines

- Q-2. Ohio County Water District's Billing Analysis states billing adjustments of (\$78,949). In Ohio County Water District's Response to Commission Staff's First Request for Information, Item 5c, Mr. Vilines states that these adjustments were taken from a report produced by the water district's billing software and attached a copy of that report. Clarify the which of these adjustments involve non-recurring charges.
- A-2. A summary of adjustments appears in Ohio County Water District's Response to Commission Staff's First Request for Information, Item 5 at Attachment 5-C, page 13 of 13. When preparing his rate study, Mr. Vilines reviewed these adjustments with Ohio County Water District's Staff. Several of the adjustments listed are related to non-recurring charges and refunds. The only adjustments applicable to original, billed usage are: Our Leak (\$11,979.50); Leak Adj (\$58,469.06); Read Wrong Adj (\$20,211.68); and Water Use Adj \$132.59. Therefore, the corrected figure for Net Billing Adjustments used in the Current Billing Analysis is (\$90,528) and the corrected amount for pro forma Total Metered Retail Sales is \$3,102,270.

OHIO COUNTY WATER DISTRICT

Response to Commission Staff's E-Mail Requests for Information Case No. 2020-00167

Question No. 3

Responding Witness: Walt Beasley

- Q-3. Refer to Ohio County Water District's Response to Commission Staff's First Request for Information, Item 7a. "Other" is reported as representing estimated meter loss of eight percent. Explain how "Other" is calculated. Explain why estimated meter loss should be included as a component of "Other Water Used" instead of "Total Water Loss."
- A-3. "Other" as reported in Ohio County Water District's Response to Commission Staff's First Request for Information, Attachment 7-A is incorrectly calculated. Estimated meter loss should be calculated by multiplying 0.08 by total water sales. The product is 41,355,600 gallons (516,945,000 gallons x 0.08). Ohio County Water District agrees that estimated meter loss is more appropriately included in "Total Water Loss." If estimated meter loss is included in "Total Water Loss," Ohio County Water District's total water loss is 19.2 percent. Please also note that in preparing its 2018 Annual Report, Ohio County Water District calculated fire department usage assuming that fire departments used 0.03 percent of total sales. In preparing Attachment 7-A, Ohio County Water District calculated fire department usage based solely on reported usage. Since some fire departments failed to report their usage, this amount may understate actual fire department usage for the test period.