

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
WEST DAVIESS COUNTY WATER DISTRICT)	2020-00196

RESPONSE OF WEST DAVIESS COUNTY WATER DISTRICT
TO THE COMMISSION STAFF'S SECOND REQUEST FOR
INFORMATION DATED AUGUST 24, 2020

Filed: September 3, 2020

**West Daviess County Water District
Case No. 2020-00196
Commission Staff's Second Request for Information issued August 24, 2020**

1. Refer to the response to Commission Staff's First Request for Information (Staff's First Request), Item 1.a. For all accounts with identical labels, such as Salaries and Wages and Pension Expense, provide detailed explanations of the difference in such accounts.

Response: The accounts that have identical labels but have different following numbers are segregated by which cost category that expense should be referred to. The following are the three types of extension numbers and their cost category:

For accounts that end in:	Cost category:
-8	Administrative & General Expenses
-7	Customer Account Expense
-5	Transmission & Distribution Expense / Maintenance

All expenses of the General Manager and administrative operation of the District are allocated to the appropriate accounts that have a following -8 extension. Likewise, all expenses of the Office Staff and office operation of the District are allocated to the appropriate accounts that have a following -7 extension and all expenses of the Maintenance Staff and maintenance operation of the District are allocated to the appropriate accounts that have a following -5

**West Daviess County Water District
Case No. 2020-00196
Commission Staff's Second Request for Information issued August 24, 2020**

2. Refer to the response to Staff's First Request, Item 2. Provide detailed explanations for all Adjusting Journal Entries found in the auditor's trial balance.

Response: See Attachment 2._W(2)

**West Daviess County Water District
Case No. 2020-00196
Commission Staff's Second Request for Information issued August 24, 2020**

3. Refer to the response to Staff's First Request for Information, Item 4.c.

a. Explain whether the response is intended to update or replace the billing analysis that was filed with the application.

Response: In preparing the response to this item it was determined that corrections to original billing data are made for most, if not all, billing adjustments. Since the reports that were used to develop the Billing Analysis were run after the close of the year, these corrections were included in those reports and the Billing Analysis data. Therefore, the billing adjustments should be eliminated from the Billing Analysis summary.

b. Reconcile the billing analysis gallons in the First 20,000 block in the application and the exhibit provided in this response.

Response: See the response to Item 3.a. above. No reconciliation is necessary when the billing adjustments are eliminated.

c. Reconcile the billing analysis gallons in the Over 20,000 block in the application and the exhibit provided in this response.

Response: See the response to Item 3.a. above. No reconciliation is necessary when the billing adjustments are eliminated.

d. Reconcile the billing analysis number of bills in the application and the exhibit provided in this response.

Response: See the response to Item 3.a. above. No reconciliation is necessary when the billing adjustments are eliminated.

e. Refer to the response to Staff's First Request Item 6. This request concerns the amount of water on Line 30 (Other Loss) on page 57 of 67 of the 2019 PSC Annual Report, which lists 55,231,000 gallons. Provide copies of all documents relied upon to support the 55,231,000 gallons of water and an explanation of the type of loss of water that is included in these gallons.

Response: Exception is made to this inquiry as the District's total on line 30 (Other Loss) on page 57 of 67 of the 2019 PSC Annual Report is 78,835,000 not 55,231,000. The District will assume a typographical error was made and provide a response regarding the correct amount of 78,835,000 gallons.

See attachment 6.b._W (This attachment is the same as submitted in the First Response Request) The total of 78,835,000 gallons represents the residual amount left over after the District calculates the total gallons purchased less total gallons sold less amounts for system flushing and fire department use. This calculation is as follows and the amounts can be found on the annual tab of the attachment:

Gallons Purchased:	449,463,000
Less Gallons Sold:	- 358,295,000
Less System Flushing and Fire Department use:	- 12,333,000
Other Loss	= 78,835,000

The 78,835,000 gallons represent an amount of water that the District purchased but did not sell for various reasons. The specific quantities for different types of losses are not known.