

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
CHRISTIAN COUNTY WATER DISTRICT)	2021-00369

RESPONSE OF CHRISTIAN COUNTY WATER DISTRICT
TO THE COMMISSION STAFF'S SECOND REQUEST FOR
INFORMATION DATED DECEMBER 14, 2021 AND
UPDATE TO RATE APPLICATION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

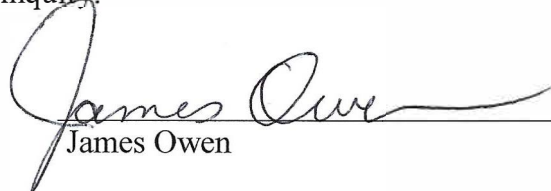
In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
CHRISTIAN COUNTY WATER DISTRICT)	2021-00369

VERIFICATION OF JAMES OWEN

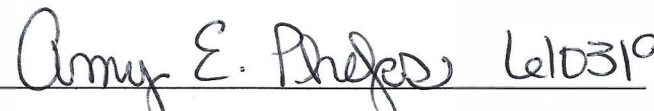
COMMONWEALTH OF KENTUCKY)
)
COUNTY OF <u>CHRISTIAN</u>)

James Owen, General Manager of Christian County Water District, states that he has supervised the preparation of certain responses to the Request for Information in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



 James Owen

The foregoing Verification was signed, acknowledged and sworn to before me this 17 day of December, 2021, by James Owen.


 _____ 610319
 Commission expiration: October 11, 2022

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)
CHRISTIAN COUNTY WATER DISTRICT)

CASE NO.
2021-00369

VERIFICATION OF ROBERT K. MILLER

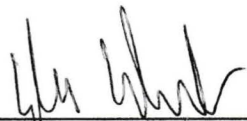
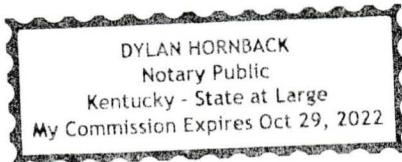
COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

Robert K. Miller, Kentucky Rural Water Association on behalf of Christian County Water District, states that he has supervised the preparation of certain responses to the Request for Information in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Robert K. Miller

The foregoing Verification was signed, acknowledged and sworn to before me this 17th day of December, 2021, by Robert K. Miller.



Commission expiration: 10-29-22

**Christian County Water District
Case No. 2021-00369
Commission Staff's Second Request for Information**

Witnesses: James Owen #1
Robert K. Miller #2

1. Refer to Christian District’s Supplemental Responses to Staff’s First Request (filed Dec. 3, 2021), Item 5, 2020 General Ledger. a. For each expenditure listed in the table below, provide the following: (1) a detailed description of the expenditure; (2) identify if any of the expenditure has been capitalized; and (3) copies of all invoices or work orders related to that expenditure.

	Account	ID	Date	Number	Vendor	Amount
(1)	00620-0030	Materials & Supplies - Water	01/14/20	18240	USA Bluebook/HD Supply	\$ 1,411.84
(2)	00620-0030	Materials & Supplies - Water	04/15/ 20	18396	Badger Meter	\$ 1,516.03
(3)	00620-0030	Materials & Supplies - Water	08/10/20	1005	Core & Main LP	\$ 1,662.00
(4)	00620-0050	Materials & Supplies - Equipment	06/08/20	18511	Superior Truck Beds & Equipment	\$ 4,391.00
(5)	00620-0050	Materials & Supplies - Equipment	08/21/20	18648	Vermeer of Indiana, Inc.	\$ 20,980.00
(6)	00620-0050	Materials & Supplies - Equipment	11/02/20	18764	Capital One	\$ 2,599.98

b. Refer to Account 00635-0010, Operations Repairs. The majority of the entries have the following descriptions “Used Operation Repair” and “Meter Changeout.” Provide a detailed explanation for each of the description categories. In the descriptions explain why Christian District records these expenditures as operating expenses rather than as a capital cost that would be depreciated.

Response:

#18420 Replacement and tubing for fluid bleach chlorinator at pump station. Expenditure amount was below capitalization threshold.

#18396 Replacement meter radio read receiver in vehicle. Expenditure amount was below capitalization threshold.

#1005 Pilot valve for pump station. Expenditure amount was below capitalization threshold.

#18511 Dump bed for pickup truck. Expenditure amount was below capitalization threshold.

#18648 Repairs to trencher including: new ignition switch; rebuild hydraulic oil pump; rebuild trencher drive motor; remove and reinstall steering extension; hydraulic servicing; remove, clean, and reinstall control valve, return manifold, creep control valve; implement bypass valve; and

replace links in trencher chain. Maintenance to restore operability of trencher without extending its useful life.

#18764 Replacement axles for trailer to haul smaller mobile equipment. Expenditure amount was below capitalization threshold.

See attached files:

**Ck_18420
Ck_18396
Ck_1005
Ck_18511
Ck_18648
Ck_18764**

2. Refer to Christian District's Responses to Staff's First Request (filed Nov. 12, 2021), Item 11, Excel Workbook: 11_Rate_Study. Also refer to Christian District's Supplemental Responses to Staff's First Request (filed Dec. 3, 2021), Item 12, Excel Workbook: 12_Employee_Pay_Rate_Information. Christian District's employee pay rate Excel Workbook identifies each employee by number and position title, while Christian District's rate study Excel Workbook identifies each employee by name only. Provide a revised Excel Workbook: 11_Rate_Study that uses employee number and position title to identify each employee.

Response: See attached file:

Rate_Study_-_Refinancing_of_2012C_with_2021D

Note: Also enclosed are updates related to the recent debt refinancing transaction. The original Alternative Rate Adjustment application was filed on September 18, 2021. Subsequent to that filing and in accordance with Case No. 2021-00322, Christian County Water District refinanced its outstanding Series 2012C Bonds with new Series 2021D Bonds resulting in debt service savings and lower future required revenues. The rate study has been updated to reflect the effect of the new debt service schedule. Consequently, the following schedules have been added or updated:

**Debt_Agreement_Series_2021D
Bond_Resolution_Series_2021D
Amortization_Schedule_Series_2021D
Debt_Service_Schedule_Series_2021D
Schedule_of_Adjusted_Operations_Series_2021D
Current_and_Proposed_Rates_Series_2021D
Current_and_Proposed_Bills_Series_2021D
Proposed_Billing_Analysis_Series_2021D**