

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 INITIAL REQUEST FOR
INFORMATION DATED OCTOBER 25, 2021

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 CHRISTIAN)

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 12 day of November, 2021, by James Owen.



Commission expiration: Oct 11, 2022

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 ROBERT K. MILLER

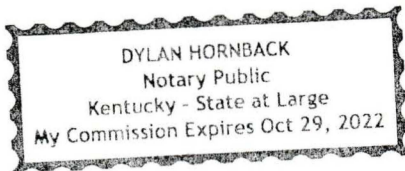
COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

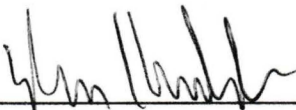
Robert K. Miller, Kentucky Rural Water Association on behalf of Christian County Water District, states that he has supervised the preparation of certain responses to the Request for Information in the above-referenced case and that the matters and things set forth therein are true and accurate to the 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 12th day of November, 2021, by Robert K. Miller.





Commission expiration: 10-29-22

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

Witnesses: James Owen #1-10, #12-19, #21
Robert K. Miller #11, #20, #22, #23

1. Provide the total amount collected for each nonrecurring charge and the number of occurrences for each nonrecurring charge that was assessed during the test year.

Response: See attached file:

1_Non-Recurring_Charges

2. Provide the cost justification for all nonrecurring charges listed in Christian District's tariff.

Response: CCWD intends to provide this information by December 3, 2021.

3. Provide an overview of any actions planned or taken by Christian District to reduce its water loss, including any water loss reduction plan.

Response: Water Loss is a constant concern for Water Utilities. We at Christian County Water District consider this is as an ongoing never-ending struggle. Examples of recent investments in water loss reduction are:

- Purchase of an additional portable flow meter, with Data Logger.
- Upgrading of the radio read and cellular meter reading system.
- Purchase of an additional, more up to date listening device, more sensitive to detection of leaks on plastic service lines.
- Ordered additional monitoring meter for placement in key areas to support zoning and the sub-zoning of pressure zones are a key to this ongoing struggle.

CCWD using a living plan. A plan which constantly grows and expands. A plan which is constantly evolving and development to meet our utilities demands. The key elements of our plan going forward are:

- Install sub-zone meters in place at a 5 mile radius around problems areas within the next three years.
- Work towards a more compressive computer tracking system and more low flow night tracking capabilities.

This is a moving target which requires, money, man power, and sometimes luck to achieve these goals.

4. a. Provide the date when Christian District last performed a cost of service study (COSS) to review the appropriateness of its current rates and rate design.

Response: It appears that the District has not performed a COSS in the last 20 or more years. During that time, CCWD has had engineering studies performed containing certain COSS components which aided in reaching unserved and underserved areas but did not affect the appropriateness of its current rate design.

b. Explain whether any material changes to Christian District's system has occurred that would cause a new COSS to be prepared since the date of Christian District's most recent COSS.

Response: There have been no material changes to the District's system that would create the need for a new COSS to be prepared.

c. If there have been no material changes to Christian District's system, explain when Christian District anticipates completing a new COSS.

Response: A new COSS would be appropriate if material changes in customer usage patterns were to occur.

5. Provide a copy of Christian District's general ledgers for calendar year 2020 and the current period. The general ledgers shall include all check registers and spreadsheets used to record and track financial transactions. If available, provide a copy of the requested general ledgers in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response: See attached Files:

5_General_Ledger_2020

5_Check_Register_2020

5_General_Ledger_2021

5_Check_Register_2021

Note: Files provided in Word format; CCWD staff were unable to provide in Excel format.

6. a. Provide a copy of the Adjusted Trial Balance showing unaudited account balances, audit adjustments, and audited balances for the calendar year ended 2020. The trial balances shall be traced and referenced directly to the calendar year 2020 general ledger requested in Item 5.

b. Provide a schedule tracing the unadjusted account balances in trial balance directly to the calendar year 2020 general ledger requested in Item 5.

c. Provide a schedule tracing the adjusted account balances in trial balance directly to the actual test-year reported in the Application, Attachment 4, Schedule of Adjusted Operations.

d. Provide copies of the responses to Item 6.a, Item 6.b., and Item 6.c in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response: CCWD intends to provide this information by December 3, 2021.

7. a. Provide copies of Christian District's General Liability Insurance, Workers' Compensation Insurance and Automobile Insurance policies for 2019, 2020, and 2021.

Response: See attached files:

7_Workers_Compensation_2019

7_Workers_Compensation_2020

7_Workers_Compensation_2021

7_Auto_and_General_Liability_2018_thru_2021

7_Auto_and_General_Liability_2021_thru_2024

b. Provide copies of the invoices (bills) received in 2019, 2020, and 2021 for the insurance policies identified in Item 7.a.

Response: CCWD intends to provide this information by December 3, 2021.

8. Provide the minutes from Christian District commissioner meetings for the calendar year 2020, and the current period.

Response: See attached files:

8_Minutes_2020

8_Minutes_2021

9. Provide a document listing the name of all commissioners for each of the five previous calendar years, and state, individually, the total amount of each benefit paid to, or on the behalf of, each commissioner during each year (i.e., wages, health insurance premiums, life insurance premiums, FICA taxes, etc.).

Response: CCWD intends to provide this information by December 3, 2021.

10. Provide the fiscal Court minutes approving each commissioner's appointment and compensation.

Response: See attached Files:

10_Adams_Appointment
10_Brunson_Appointment
10_Hunt_Appointment
10_Morris_and_Johnson_Appointments
10_Commissioners_Compensation
10_Commissioners_Benefits

11. Refer to the Application, Attachment 4, Schedule of Adjusted Operations. Provide the workpapers that support the pro forma adjustments described in the References page of the Attachment in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response: See attached files:

11_Rate_Study
11_2019_PSC_Annual_Report
11_CCWD_Employee_Pensions_and_Benefits
11_CCWD_Telephone_Expense_Increase

12. Using a table format, provide the following information for each employee identified by employee number and job title: job description, date hired, date terminated (if applicable), and pay rates for each employee on December 31 for calendar years 2016 through 2020 and the pay rates as of July 1, 2021. Provide the requested tables in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response: CCWD intends to provide this information by December 3, 2021.

13. Using a table format, provide the regular hours and overtime hours for each employee identified in Christian District's response to Item 12 for the calendar years 2016 through 2020. Provide the requested table in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response: CCWD intends to provide this information by December 3, 2021.

14. Using a table format, provide the following actual full-year salary information for each employee listed in Item 12 above, identified by employee number and job title, for the calendar years 2016 through 2020 (in gross dollars—not hourly or monthly rates). The employee salary information for each year shall be provided

in a separate table. Provide the requested tables in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

- a. Regular salary or pay.
- b. Overtime pay.
- c. Vacation payout.
- d. Standby/Dispatch pay.
- e. Bonus pay.
- f. Other amounts paid and reported on the employees' W-2 (specify).

Response: CCWD intends to provide this information by December 3, 2021.

15. Using a table format, provide the following actual full-year benefit information for each employee listed in Item 12 above, identified by employee number and job title, for the calendar years 2016 through 2020. The employee's benefit information for each year shall be provided in a separate table. Provide the requested tables in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

- a. Health care benefit cost for each employee.
 - (1) Amount paid by Christian District.
 - (2) Amount paid by each employee.
- b. Dental benefits cost for each employee.
 - (1) Amount paid by Christian District.
 - (2) Amount paid by each employee.
- c. Vision benefits cost for each employee.
 - (1) Amount paid by Christian District.
 - (2) Amount paid by each employee.
- d. Life insurance cost for each employee.
 - (1) Amount paid by Christian District.
 - (2) Amount paid by each employee.
- e. Accidental death and disability benefits for each employee.
 - (1) Amount paid by Christian District.
 - (2) Amount paid by each employee.
- f. Defined Contribution - 401(k) or similar plan cost for each employee. Provide the amount paid by Christian District.
- g. Defined Benefit Retirement cost for each employee.
 - (1) Amount paid by Christian District.
 - (2) Amount paid by each employee.

h. Cost of any other benefit available to an employee (specify).

Response: CCWD intends to provide this information by December 3, 2021.

16. Provide a listing of all health care plan categories available to Christian District's employees, i.e., single, married no dependents, single parent with dependents, family, etc. For each employee listed in Item 12 above, identify the type of health insurance coverage each employee was provided.

Response: CCWD intends to provide this information by December 3, 2021.

17. a. Identify the number of new connections (meters) that Christian District installed in calendar year 2019, 2020, and to date in 2021.

b. Identify the amount of tap-on fees Christian District collected in calendar years 2019, 2020, and to date in 2021.

c. Identify the account where Christian District recorded its tap-on fees.

Response: CCWD intends to provide this information by December 3, 2021.

18. Identify the cost of the meters and services that Christian District capitalized in calendar year 2020 and to date in 2021. Also, identify the calendar year 2020 adjusting journal entry where the cost of the meters and services were transferred from the expense to the capital accounts.

Response: CCWD intends to provide this information by December 3, 2021.

19. Identify the labor Christian District capitalized associated with its meter installations in calendar year 2020 and to date in 2021. Explain in detail how the capitalized labor costs were capitalized.

Response: CCWD intends to provide this information by December 3, 2021.

20. Refer to the Application, Attachment 4, Schedule of Adjusted Operations, References C. Explain if Christian District adjusted its operating revenues and expenses to annualize the usages for the customers added during the test-year, calendar year 2020.

Response: No. Christian County Water District added fifty-five 5/8" services and fourteen 1" services in 2020. There were no adjustments to operating revenues and expenses to annualize the usages for the customers added.

21. Provide a detailed explanation of any cost containment actions that Christian District has implemented in calendar years 2016 through 2020. Quantify the

