

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
JONATHAN CREEK WATER DISTRICT)	2021-00410

RESPONSE OF JONATHAN CREEK WATER DISTRICT
TO THE COMMISSION STAFF'S SECOND REQUEST FOR
INFORMATION DATED JULY 22, 2022

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

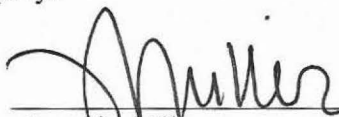
In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)
JONATHAN CREEK WATER DISTRICT) CASE NO.
2021-00410

VERIFICATION OF JENNIFER MILLER

COMMONWEALTH OF KENTUCKY)
COUNTY OF Marshall)

Jennifer Miller, Office Manager of Jonathan Creek Water District, states that she 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 her knowledge, information, and belief, formed after reasonable inquiry.



Jennifer Miller

The foregoing Verification was signed, acknowledged, and sworn to before me this 9th day of August 2022, by Jennifer Miller.

Jade Thompson KYNP4454
Commission expiration: March 9, 2024

Jonathan Creek Water District
Case No. 2021-00410
Commission Staff's First Request for Information

Witnesses: Jennifer Miller (Items 1 and 4)
Alan Vilines (Items 2 and 3)

1. Refer to Jonathan Creek District's 2020 Annual Report, page 40. For the long-term debt labeled "Ditch-Witch Financial" provide a brief description of the uses of the funds as well as the Commission Case in which it was approved or a similar Commission Staff Opinion to the one provided in Jonathan Creek's response to Commission Staff's First Request for Information, Item 4.

Response: The District's Lease/Purchase Agreement referred to in Jonathan Creek Water District's 2020 Annual Report (on page 40) was not given approval by the PSC in a Commission case. At the time the District entered into that Agreement, the District was not aware that a Lease Purchase Agreement for equipment for a term of sixty (60) months or less was considered "debt" that required the Commission's approval under KRS 278.300. The District has now been made aware that all such lease purchase agreements for equipment are considered to be "debt" which must be approved by the Commission under KRS 278.300.

The equipment leased by the District under the Lease was used solely by the District in the construction and maintenance of its water lines.

2. Refer to the Commission Staff's First Request for Information (Commission Staff's First Request), Item 8, Cost Justification Sheets.
a. Explain why there were no cost justification sheets provided for the Meter Reinstallation Charge and the Meter Test Charge.

Response: As stated in the RFI #1 response, these charges were established in 2002 and the Cost Justification sheets cannot be located. New, updated justifications are provided with this response.

b. Provide the cost justification sheets for these charges.

Response: See file JC2 2.b – Cost Justifications

3. Refer to the Commission Staff's First Request, Item 8, Cost Justification Sheets for the Connection/Turn On Charge, Disconnection Charge, Field Collection Charge, Meter Reread Charge, Reconnection Charge, and the Returned Check Charge.

a. Explain why the expense stated for the Field Expense, Labor varies from \$12.50 to \$20.00. Provide support for each Field Labor Expense.

b. Explain why the expense stated for the Clerical and Office Expense, Supplies varies from \$5.23 to \$22.50. Provide support for each Clerical and Office Supply Expense.

c. Explain why the expense stated for the Clerical and Office Expense, Labor varies from \$6.73 to \$20.00. Provide support for each Clerical and Office Labor Expense.

d. Explain why the expense stated for the Miscellaneous Expense, Transportation varies from \$7.50 to \$10.54. Provide support for each Transportation Expense.

e. Explain the expense stated on the Returned Check Charge cost justification sheet under Clerical and Office Expense, Supplies of \$15.00 and under Miscellaneous Expense, Other for Telephone of \$2.50.

Response: Most of these Cost Justification sheets were submitted 17 years ago and three others were submitted 7 years ago. The rationale for these items is no longer known or available, but all were approved by the PSC when submitted.

4. Refer to the adjustments provided in Response to Commission Staff's First Request for Information. There are multiple references to a "new employee".

a. Confirm that the new employee is not listed on the Excel sheet with the Employee JC1-1e attachment. Provide the name, salary, compensation of any form and hire date for the "new employee".

Response: The new full-time employee was not listed in attachment JC1-1.e. His hire date was July 11, 2022, at an hourly rate of \$15.00. In addition to wages from regular and overtime pay, following a three month probationary period, he would have qualified for all benefits available to full time employees. However, after only eight days that person was terminated.

b. If the "new employee" has not been hired, explain how this expenditure is known and measurable.

Response: As evidenced by the July new hire, the Board has authorized this position to be filled at a rate of at least \$15.00 per hour. The attached copy of July 2021 Board Minutes provides confirmation that the Commissioners have been involved in the hiring process for both the full-time and part-time positions. See file JC2 4.b – Board Minutes.

c. Clarify that the "New PT" referenced in Attachment JC1-2 is the same employee hired or a new, open position with the district.

Response: The "New PT" employee included in Attachment JC1-2, refers to a different position than the full-time employee discussed above. This position has now become vacant due to that employee's resignation. That person was paid \$20.00 per hour because he had a CDL license and was an equipment operator.

The District is actively working to fill both the employee positions referred to in this Item as full-time and part-time and will attempt to make both full-time. The Office Manager is attending a Job Fair in Paducah on August 23rd seeking qualified individuals. The District urgently needs both of these two additional employees to maintain reliable, high quality water service and the positions have been authorized by the Board of Commissioners. Therefore, the expenses associated with these positions should be included in the rate computation.