

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
BARKLEY LAKE WATER DISTRICT)	2021-00454

RESPONSE OF BARKLEY LAKE WATER DISTRICT
TO THE COMMISSION STAFF'S INITIAL REQUEST FOR
INFORMATION DATED JANUARY 19, 2022

Barkley Lake Water District
Case No. 2021-00454
Commission Staff's First Request for Information

Witnesses: Penny Wright (Items 1a, e - k, 2 – 6, 10 – 11, 12b, 15a)
John Herring (Items 8, 13a – c, 15b)
David Foster (Item 1b - d, 7, 9, 12a, 14, 15a)

1. Provide copies of each of the following, and when appropriate, provide in Excel spreadsheet format with all formulas, rows and columns unprotected and fully accessible:

a. The general ledger for the calendar years 2020 and 2021 to date: and the trial balance for the calendar years 2020, and 2021 to date.

Response: The 2021 Trial Balance has not been audited yet.

See files - 1a_BLWD-_General_Ledger_2020
1a_BLWD-_General_Ledger_2021
1a_BLWD-_Trial Balance_2020
1a_BLWD-_Trial Balance_2021

b. Adjusted Trial Balance showing unaudited account balances, audit adjustments, and audited balances for the calendar years 2020 and 2021 to date.

Response: As stated in response 1a., the 2021 Trial Balance has not been audited yet.

See file - 1b_BLWD-_ATB_2020

c. The schedule of notes and bonds payable on December 31, 2019; December 31, 2020; and the current period.

Response: See file - 1c_BLWD_Sch_of_Loan_Payable

d. All debt agreements/bond ordinances and amortization schedules, including related party debt.

Response: These were provided with the application.

e. Insurance policies for 2020 and the current period, if available.

Response: See files - 1e_BLWD-_2020_Ins
1e_BLWD-_2021_Ins

f. Hours worked by each employee for the calendar years 2019, 2020, and the current period.

Response: See files - 1f_BLWD_Hours_Worked

g. A document listing the names, job titles, job description, and pay rates for each employee on December 31, 2020 and for those currently employed.

Response: See files - 1g_BLWD_Employee_Info_2020
1g_BLWD_Employee_Info_2021

h. A list that describes all employees benefits, other than salaries and wages, paid to, or on behalf of, each employee for each of the previous years.

Response: Benefits are Health Insurance – Employee/Spouse or Employee/Children, Vision, Dental, Life Insurance, Short/Long Term Disability, Ky Retirement.

i. Minutes from Barkley Lake District’s commissioner meetings for the calendar years 2019, 2020, and current period.

Response: See files - 1i_BLWD_2019_MEETING
1i_BLWD_2020_MEETING
1i_BLWD_2021_MEETING

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

Response: See file - 1j_BLWD_Commissioners

k. Fiscal court minutes approving each commissioners appointment and compensation.

Response: See file - 1k_BLWD_Fiscal_Court

2. Provide a breakdown for the number of board meetings each commissioner attended during the test year.

Response: See file - 2_BLWD_Meetings

3. Provide the number of occurrences for which late fees were assessed during the test year.

Response: See file - 3_BLWD_Late_Fees

4. 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. If the revenue for any nonrecurring charge was zero, include that charge and indicate that zero revenue was received.

Response: See file - 4_BLWD_NonRecurring

5. Provide the cost justification for all nonrecurring charges listed in Barkley Lake District's tariff.

Response: Barkley Lake is unsure of the location of the cost justifications used for the nonrecurring charges listed in their tariff. Barkley Lake will file a response to this question when and if they locate them.

6. Provide the rate for each nonrecurring charge collected in the test year and the rate for all nonrecurring charges contained in Barkley Lake District's tariff.

Response: The rate for each nonrecurring charge collected in the test year were the same rates in Barkley Lakes Tariff.

7. Refer to the depreciation schedule, explain what the handwritten red numbers represent.

Response: The red comments on the depreciation schedule are internal markings by the auditor. The auditor stated that they are used to "tie back to final compiled trial balance in accounting compilation file".

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

Response: See file - 8_BLWD_Leak_Detection_plan

9. Refer to the Statement of Adjusted Operations, confirm that Barkley Lake District's Taxes Other Than Income expense is supposed to be \$0.

Response: As stated in the Application, in the Schedule Of Adjusted Operations – Water Utility, Barkley Lake Water Districts adjusted Taxes Other Than Income was \$55,936.

10. Identify the number of new water connections that Barkley Lake District installed in calendar year 2020.

Response: See file - 10_BLWD_New_Meters

11. Provide the amount of labor and materials recorded for each new water connection used during calendar year 2020.

Response: See file - 10_BLWD_New_Meters

12. Refer to the Application, Outstanding_Debt_Instruments.pdf.

a. Confirm the amortization schedules presented for Water System Bonds Series 2010B-1 and 2010B-2 are the Debt Service Schedules instead of the amortization schedules. If so, provide the Amortization Schedules for the Water System Bonds.

Response: Barkley Lake is unsure of what exactly is being asked. There is no document included in the application labeled "Outstanding_Debt_Instruments.pdf." Additionally, an amortization schedule by definition is a table of periodic loan payments that shows the amount of principal and interest payments until the loan is paid off. The Series 2010B-1 and 2010B-2 debt instrument appears to identify the principal payment separately from the interest payment to show the amount of the 35% Credit Payment they receive.

b. For each outstanding debt issuance still active, provide the case number in which Barkley Lake District was authorized to issue the debt.

Response: 2020 – Case No. 2020-00326
2014 – Case No. 2014-00251
2012 – Case No. 2012-00266
2010 – Case No. 2010-00301

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

Response: Barkley Lake District is unsure when the last time a Cost Of Service Study has been performed. For reference, Barkley Lake has supplied the financial review supplied by the engineering firm who performed their most recent project.

See file - 13a_Project_Addendum

b. Explain whether any material changes to Barkley Lake District's system has occurred that would cause a new COSS to be prepared since the date of Barkley Lake 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 Barkley Lake District's system, explain when Barkley Lake District anticipates completing a new COSS.

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

14. Refer to Barkley Lake District's Application, Billing Analysis. Provide a list of any adjustments made to the data and include an explanation of each adjustment.

Response: No adjustments were made to the data.

15. Refer to Barkley Lake District's Tariff, the Water District's Bill example, located as the last page of the unnumbered section pertaining to the Bill example. The Final Notice Language states there is a fee of \$40.00 (lock fee \$20.00 plus unlock fee \$20.00) plus full payment of water bill is required. An after-hours fee of \$75.00 will be charged to any meter unlocked after 4:00 p.m.

a. Confirm that this unlock fee and after hours unlock fee have been removed from the Tariff and is no longer charged to any of Barkley Lake District's customers.

Response: (Penny Wright) – Regarding the lock and unlock fees being charged to our customers, this has been in our tariff as long as I can remember. They were signed and dated by the public Service on January 21, 2014. Which I have attached copies. When I call up our tariff on-line it looks like the Public Service skipped that page when they scanned the papers in online because they have #5 & #6 with 1-4 not listed.

See file - 15a_Tariff_Unlock

Response: (David Foster) – The document included in Penny Wright's response above is the portion of the Tariff that was revised in 2014. In reviewing the tariff filing in in the Public Service Commission's Secure Tariff Filing Center, in Tariff Filing ID TFS2013-00399, it appears that at some point the tariff that was uploaded to the PSC's online tariff filing library omitted the page titled "SPECIAL NONRECURRING CHARGES – SERVICE RELATED" which included Items 1 through 4. Item 4 on that list being the After Hours fee of \$75.00.

b. Confirm that the district will be revising the customer bill to remove these fees from the bill and bill example.

Response: Barkley Lake does not intend to remove the after hours unlock fee from their customer bill because they believe it is still included in their tariff.