

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 SECOND REQUEST FOR
INFORMATION DATED FEBRUARY 28, 2022

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

Witnesses: Penny Wright (Items 3, 4, 5a-b, 6 – 7)
John Herring (Items 8)
David Foster (Items 1, 2, 9)

1. Refer to the Application, Attachment #5, Schedule of Adjusted Operations. Employee Pensions and Benefits is reported at \$521,404. Provide a breakdown of the test year amount recorded for Employee pensions, the amount recorded for Employee Insurance Premiums, and all other Employee Pensions and Benefits components.

Response: Below is the response from the accounting firm that performs the audit compilation on behalf of Barkley Lake and also files the annual report with the PSC on their behalf.

“The \$521,404 in employee benefits reported on the 2020 PSC report includes \$150,193 for adjustments related to GASB 68, \$24,178 for adjustments related to GASB 75, while the remaining \$347,033 comes straight from the client’s QuickBooks trial balance account 604.8. The \$347,033 is made up of \$211,670 of retirement benefits, while the remaining \$135,363 is various insurances and other benefits provided by BLWD.”

2. Refer to the Application, and Barkley Lake District’s response to Commission Staff’s First Request for Information (Staff’s First Request), Item 1b. Provide the calculation used to determine the Sales for the resale amount of \$144,868.

Response: That amount was taken from the Annual Report on file with the PSC, page 49 of 67, Sales for Resale (466). The gallons from Wholesale sales were included in the adjustment to Metered Water Sales for simplicity.

3. Refer to Barkley Lake District’s response to Staff’s First Request, Item 1f. For each employee, provide a breakdown of employee hours worked between normal hours worked and overtime hours worked.

Response: See file - 3_BLWD_DR2

4. Refer to Barkley Lake District’s response to Staff’s First Request, Item 1g. Provide a document providing the current list of employee names, job titles, job descriptions, and pay rates.

Response: See file - 4_BLWD_DR2

5. Refer to Barkley Lake District's response to Staff's First Request, Item 1j.
 - a. Confirm who authorized the payment of Benefits to Commissioners.

Response: To the best of my knowledge, our commissioners started receiving the dental, vision and life insurance that was included in one of our health insurance policies as a free add on from the provider. Due to the increases in health insurance premiums we changed provider and the commissioners continued those benefits.

- b. Provide a copy of the meeting minutes in which the commissioner's non-salary benefits were decided.

Response: See response to 5a.

6. Refer to Barkley Lake District's response to Staff's First Request, Item 1k. Provide a copy of the Fiscal Court minutes in which the commissioner's compensation was decided.

Response: They are paid \$150 each month. I have gone back through our records which go back to 2014. They were receiving that salary at that time also. Not sure who set that amount. I called the judges office but they could not provide me with any information.

7. Refer to Barkley Lake District's response to Staff's First Request, Item 4.
 - a. Provide the revenue account number that the revenue for each nonrecurring charge is recorded into.

Response: 471.2 Lock Fees/After hour fees
471.3 Reconnect Fees
471.4 Return Check Fees
471.5 Move Meter
471.6 Bad Debt Recovery
471.8 Materials Sale
471.9 Service Fee
471.10 Repair Fee
126.1 Deposits
132.1 Tap on Fees

- b. Confirm the pages in the Tariff that authorize the charge for Water Stolen, Lock, Unlock, and After-Charge Fees.

Response: It is under D SPECIAL NONRECURRING CHARGES-SERVICE RELATED

#1 Is Service Call/Investigation Charge - \$25.00

#2 Is Service Disconnection Charge - \$20.00

#3 Is Service Reconnection Charge - \$20.00

#4 Is Service Reconnection Charge – After Hours \$75.00

Next Page:

#5 Is Service Termination Field Collection Charge - \$25.00

#6 Broken Water Lines – At Cost

Copy is attached. See files - 7a_BLWD_DR2

c. Confirm the number of occurrences for Returned Check Charge during the test year.

Response: 38 returned checks.

8. Provide updated cost support for each of the following nonrecurring charges using current expense amounts in the form provided in the Appendix.

Response: Exhibit 1: Cost Explanations

Labor numbers are based on the Cliff Carneyhan, Penny Wright, and Martin Martinez.

Cliff works out of the office and handles work orders. Penny is the office manager, where she covers many of the clerical duties in the front office. Martin is a treatment plant operator and works afternoons and midnights, he would cover some of the afterhours calls.

The transportation costs are based on the number of workdays in the year (262) divided by 12 = 22. Taking a six-month average of miles driven by Cliff Carneyhan in the year 2021 (2022 miles) divided by the amount of time in a working day (8 hrs.). This calculation equals 11.5 miles driven per hour of work.

Lock prices are based off the last time we order locks in bulk. This price does not include other prices which would include chain locks, blanks, or removing the meter from customers that have a history of cutting locks.

The returned check charge is based on the amount that the bank charges us per returned check.

a. Meter Re-read Charge

Response: See file - 8a_BLWD_DR2

b. Meter Test Charge

Response: See file - 8b_BLWD_DR2

c. Service Termination Field Collection Charge

Response: See file - 8c_BLWD_DR2

d. Returned Check Charge

Response: See file - 8d_BLWD_DR2

e. Service Disconnection Charge

Response: See file - 8e_BLWD_DR2

f. Service Reconnection Charge

Response: See file - 8f_BLWD_DR2

g. Service Reconnection Charge – After Hours

Response: See file - 8g_BLWD_DR2

h. Service Call/Investigation Charge

Response: See file - 8h_BLWD_DR2

i. Meter Lock Charge

Response: See file - 8i_BLWD_DR2

j. Meter Unlock Charge

Response: See file - 8j_BLWD_DR2

k. Meter Unlock Charge After Hours

Response: See file - 8k_BLWD_DR2

9. Refer to Barkley Lake District's response to Staff's First Request, Item 10. Confirm whether or not the labor and materials expense used to install the new meters is not included in the Salaries and Wages- Employees, nor the Materials and Supplies expenses.

Response: Filed in response to this question is the document from the accounting firm, that performs the audit compilation for Barkley Lake, that shows the journal entries to capitalize the 63 meters that were installed during the test year.

See file - 9_BLWD_DR2