

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF	)	CASE NO.
SOUTHERN WATER & SEWER DISTRICT	)	2022-00099

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RESPONSE OF SOUTHERN WATER & SEWER DISTRICT  
TO THE COMMISSION STAFF'S FOURTH REQUEST FOR  
INFORMATION DATED SEPTEMBER 16, 2022

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF ) CASE NO.  
SOUTHERN WATER & SEWER DISTRICT ) 2022-00099

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**VERIFICATION OF PAULA BURKE**

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COMMONWEALTH OF KENTUCKY )  
COUNTY OF Floyd )

Paula Burke, Office Manager of Southern Water & Sewer 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.

  
\_\_\_\_\_  
Paula Burke

The foregoing Verification was signed, acknowledged, and sworn to before me this 24<sup>th</sup> day of October 2022, by Paula Burke.

Brenda West NP KY 31186  
Commission expiration: 7/19/25

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF )	CASE NO.
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**VERIFICATION OF JEFF REED**

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COMMONWEALTH OF KENTUCKY )  
COUNTY OF Floyd )

Jeff Reed, Michael Spears CPA on behalf of Southern Water & Sewer 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.

Jeff Reed  
Jeff Reed

The foregoing Verification was signed, acknowledged, and sworn to before me this 21 day of October 2022, by Jeff Reed.

Paula Bunka  
Commission expiration: 5-3-25

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF ) CASE NO.  
SOUTHERN WATER & SEWER DISTRICT ) 2022-00099

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**VERIFICATION OF RANDY CONLEY**


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COMMONWEALTH OF KENTUCKY )  
COUNTY OF Floyd )

Randy Conley, Manager of Southern Water & Sewer 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.

  
\_\_\_\_\_  
Randy Conley

The foregoing Verification was signed, acknowledged, and sworn to before me this \_\_\_ day of October 2022, by Randy Conley.

  
\_\_\_\_\_  
Commission expiration: 5/3/25

**Southern Water & Sewer District**  
**Case No. 2022-00099**  
**Commission Staff's Fourth Request for Information**

**Witnesses:** Paula Burke (Items 2, 3.b, 3.c, and 6)  
Jeff Reed (Items 1, 3.a, 3.d, and 5)  
Randy Conley (Item 4)

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. Southern District's general ledger for the year to date ended August 31, 2022.

**Response:** See file SWS4 1.a-General Ledger

b. Southern District's trial balance for the year to date ended August 31, 2022.

**Response:** See file SWS4 1.b-Trial Balance

2. Provide a copy (with customer identifying information redacted) of a recent residential bill that includes gallons of water consumed, water billing, surcharge, garbage collection, sewer fees and any other charges.

**Response:** See file SWS4 2-Residential Bill

3. Refer to Southern District's response to Commission Staff's Second Request for Information (Staff's Second Request), Item 5, SWS2\_5Accts\_Receivable\_Aging.pdf.

a. Provide an updated accounts receivable aging, by billing category (water, surcharge, garbage, sewer, other if applicable, and "old delinquent" as designated in response to Staff's Second Request), that ties to the August 31, 2022 general ledger accounts receivable balances in accounts 14101 (Water), 14102 (Garbage), and 14103 (Sewer) in the format below. The number of customers associated with each column of aged receivables must be provided also.

**Response:** Unable to get the number of customers for each column of the aged receivables. The total number is 5,471.

See file SWS4 3.a-1LineAgingComparisonToGL 8-31-22

b. Provide a detailed aging by customer (with customer identifying information redacted) of amounts that are not in the current billing system that were previously described as “old delinquent”. If possible, provide this information in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

**Response:** See file SWS4 3.b-Aging Report Old Delinquent

c. Provide a detailed aging by customer (with customer identifying information redacted) of amounts in current billing system. If possible, provide this information in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

**Response:** See file SWS4 3.c-Aging Report Current

d. Discuss changes in accounts receivable balances from the amounts reported at December 31, 2021 to August 31, 2022 for general ledger accounts 14101 (Water), 14102 (Garbage), and 14103 (Sewer).

**Response:** The water accounts receivable balance for general ledger account 14101 as of 12-31-2021 was \$1,636,395.04 and the balance at 8-31-2022 was \$1,880,878.74 resulting in an increase of \$244,483.70. In my opinion this increase is a result of some customers not being financially able to pay their water bills in light of the present economy in this area.

The garbage accounts receivable balance for the general ledger account 14102 as of 12-31-2021 was \$703,305.03 and the balance at 8-31-2022 was \$721,280.61 resulting in an increase of \$17,975.58. This increase can also be attributable to some customers not being able to pay their bills in the present economy.

The sewer accounts receivable balance for the general ledger account 14103 as of 12-31-2021 was \$13,976.80 and the balance at 8-31-2022 was \$20,508.12 resulting in an increase of \$6,531.32. This increase is also attributable to the economy and some customers not being able to pay their bill.

4. Refer to Southern District’s motion to continue September 16, 2022 hearing.

a. Provide an estimate of the incremental labor hours and costs incurred as a result of each weather event designated below. Note that the July 2022 weather event covered by Governor Beshear’s Executive Order 2022-457 has been designated by FEMA as 4663-DR-KY.

**Response:** See file SWS4 4.a-Weather Event Costs

b. State the amount that is expected to be reimbursed by (1) state or local sources, or (2) FEMA.

c. State the amount that has been reimbursed through August 31, 2022, and the estimated timing of the remaining amounts to be reimbursed.

**Response:** See file SWS4 4.b.c-Reimbursements

5. Refer to Southern District's Response to Staff's First Request, Items 1a, SWS1\_1.2-General\_Ledger\_2021.xlsx and SWS1\_1.2-General\_Ledger\_2022\_thru\_April.xlsx. Also refer to Southern District's response to Commission Staff's Eighth Request (Staff's Eighth Request) for Information filed in Case No. 2020-00121,<sup>2</sup> Item 2.

a. Reconcile the differences between the amounts posted to general ledger, account 47403, Surcharge Revenue, for the calendar year ended December 31, 2021, and year to date April 30, 2022, and the amounts reported as billed in Item 2 of Southern District's Response to Staff's Eighth Request.

**Response:** See file SWS4 5.a-Surcharge Worksheet

b. State whether the net difference in the amounts should result in an adjustment between surcharge revenues (increase or decrease) and one or more other revenue accounts.

**Response:** The net difference in the amounts of surcharge revenues reported in response in Case No. 2020-00121, Item 2 and the amounts reported in the general ledger for the same period should not result in an adjustment to the Surcharge revenues and any other account. The reason is that per the response to 5.a. the amounts per the general ledger appear to be the correct amounts and the difference is immaterial.

6. Provide the following associated with the termination of service.

a. Provide the number of disconnections by month for 2022 as a result of failure to pay for service.

b. Provide the number of reconnections by month for 2022 that were originally disconnected as a result of failure to pay for service.

**Response:** See file SWS4 6.a.b-Disc\_Reconnects