

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|---------------------------------------|---|------------|
| ALTERNATIVE RATE ADJUSTMENT FILING OF |) | CASE NO. |
| ELKHORN WATER DISTRICT |) | 2022-00124 |

RESPONSE OF ELKHORN WATER DISTRICT
TO THE COMMISSION STAFF'S SECOND REQUEST FOR
INFORMATION DATED JULY 6, 2022

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|---------------------------------------|---|------------|
| ALTERNATIVE RATE ADJUSTMENT FILING OF |) | CASE NO. |
| ELKHORN WATER DISTRICT |) | 2022-00124 |

VERIFICATION OF NANCY SHERROW


COMMONWEALTH OF KENTUCKY)
)
COUNTY OF Franklin)

Nancy Sherrow, Office Manager of Elkhorn 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.



Nancy Sherrow

The foregoing Verification was signed, acknowledged, and sworn to before me this 20th day of July 2022, by Nancy Sherrow.



State at Large ID # 603599
Commission expiration: July 23, 2022

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF) CASE NO.
ELKHORN WATER DISTRICT) 2022-00124

VERIFICATION OF ALAN VILINES


COMMONWEALTH OF KENTUCKY)
COUNTY OF WARREN)

Alan Vilines, Kentucky Rural Water Association on behalf of Elkhorn 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.



Alan Vilines

The foregoing Verification was signed, acknowledged, and sworn to before me this 21st day of July 2022, by Alan Vilines.



Commission expiration: 7/12/2026
#KYNP53770

Elkhorn Water District
Case No. 2022-00124
Commission Staff's Second Request for Information

Witnesses: Nancy Sherrow (Items 1, 3, 4 and 5.b)
Alan Vilines (Items 2 and 5.a)

1. Refer to the Application, Schedule of Adjusted Operations, Adjustment D. Confirm Elkhorn District treats water after purchase.

Response: The District does not treat water after it is purchased.

2. Refer to the Application, Schedule of Adjusted Operations, Adjustment E. Confirm the new meters installed during the test year are included in the Depreciation expense calculation.

Response: New meters installed during the test year are included in the deduction from operating expenses, Adjustment E. However, it has been confirmed that these new meters are not included in the depreciation schedule provided as Attachment 7 in the District's application. An estimated cost for these meters equal to the tap fees collected (\$4,400) and an annual depreciation expense of \$110 should be added in Table A – Depreciation Expense Adjustments. This results in a corrected Adjustment G in the Schedule of Adjusted Operations of \$23,214.

3. Refer to the Application, Schedule of Adjusted Operations, Adjustment F. Provide a copy of the contract with Gatewood Water Service, along with all modifications to the contract.

Response: See file EWD2 3 – Gatewood Contracts

4. Refer to Elkhorn District's response to Commission Staff's First Request for Information (Staff's First Request), Item 1e. Provide copies of Fiscal Court minutes approving each commissioner's compensation.

Response: The District has not been able to find Fiscal Court minutes that approve each commissioner's compensation. Commissioners are paid less than what is allowed by statute.

5. Refer to Elkhorn District's response to Staff's First Request, Item 8.
a. Provide the cost justification and supporting documentation for the following:

- (1) Returned Check Charge;
- (2) Connection fees for all size meters; and
- (3) Service Reconnection Charge.

Response: See file EWD2 5 – Cost Justifications

b. Provide the number of miles and the per mile rate used to calculate each transportation cost.

Response: Transportation costs were approved several years ago, and records cannot be found for detailed computations. However, \$11.00 was the cost estimated for one trip at the average distance of travel within the District to do a service call. Transportation for a meter test is \$22.00 since Gatewood Water Service had to make one trip to pick up the meter, bring it back to the shop for testing, and then go back to location and put the meter back in after the test.