

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

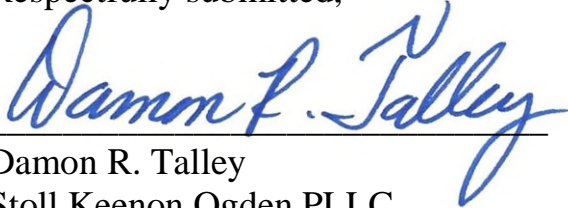
**ELECTRONIC APPLICATION OF)
WOOD CREEK WATER DISTRICT) CASE NO. 2022-00145
FOR ADJUSTMENT OF RATES)**

**RESPONSE OF WOOD CREEK WATER DISTRICT
TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION**

Wood Creek Water District submits its Response to the Commission Staff's
Second Request for Information.

Dated: September 12, 2022

Respectfully submitted,




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Counsel for Wood Creek Water District

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, and the Public Service Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on September 12, 2022 and that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding



Counsel for Wood Creek Water District

COMMONWEALTH OF KENTUCKY

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**RESPONSE OF WOOD CREEK WATER DISTRICT
TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION**

FILED: September 12, 2022

WOOD CREEK WATER DISTRICT

**Response to Commission Staff's Second Request for Information
Case No. 2022-00145**

Question No. 1

Responding Witness: Dewayne Lewis

Q-1. Provide the number of times late fees were collected and revenues collected for late fees assessed in 2017, 2018, 2019, and during the test year.

A-1. See Attachment 1.

WOOD CREEK WATER DISTRICT
LATE PAYMENT FEES

	Number of occurrences	Revenue
DECEMBER 2017	1685	6,154.37
NOVEMBER 2017	1697	6,094.64
OCTOBER 2017	1565	6,817.63
SEPTEMBER 2017	1777	7,979.77
AUGUST 2017	1722	8,025.35
JULY 2017	1741	6,651.15
JUNE 2017	1704	5,766.12
MAY 2017	1681	6,301.52
APRIL 2017	1973	7,175.71
MARCH 2017	1618	6,374.60
FEBRUARY 2017	1670	6,513.66
JANUARY 2017	1780	6,511.09
	<u>20,613</u>	<u>80,365.61</u>

	Number of occurrences	Revenue
DECEMBER 2018	1567	7,533.62
NOVEMBER 2018	1867	6,495.36
OCTOBER 2018	1914	10,227.04
SEPTEMBER 2018	1664	6,327.16
AUGUST 2018	1813	7,008.39
JULY 2018	1691	6,769.49
JUNE 2018	1657	5,451.04
MAY 2018	1744	6,060.05
APRIL 2018	1576	5,196.91
MARCH 2018	1687	5,717.10
FEBRUARY 2018	1834	8,457.11
JANUARY 2018	1713	5,671.08
	<u>20,727</u>	<u>80,914.35</u>

	Number of occurrences	Revenue
DECEMBER 2019	1585	6,226.56
NOVEMBER 2019	1563	5,752.35
OCTOBER 2019	1586	6,500.32
SEPTEMBER 2019	1462	6,076.98
AUGUST 2019	1680	6,590.76
JULY 2019	1666	7,156.94
JUNE 2019	1482	5,292.65
MAY 2019	1596	5,649.77
APRIL 2019	1841	6,319.16
MARCH 2019	1566	5,806.29
FEBRUARY 2019	1704	6,458.20
JANUARY 2019	1787	6,692.85
	<u>19,518</u>	<u>74,522.83</u>

	Number of occurrences	Revenue
FEBRUARY 2020	1396	5,186.72
JANUARY 2020	1658	6,127.01
	<u>3,054</u>	<u>11,313.73</u>

WOOD CREEK WATER DISTRICT

Response to Commission Staff's Second Request for Information Case No. 2022-00145

Question No. 2

Responding Witness: Dewayne Lewis

Q-2. 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.

Q-2. See table below.

Charge	Number of occurrences	Revenue
Reconnection	643	\$25,720
Reconnection (After Hours)	0	\$ 0
Returned Check	94	\$ 2,350
Meter Retest	0	\$ 0
Additional Trip	0	\$ 0
Tap-on -5/8-inch Meter	70	\$37,100
Tap-on – 1-Inch Meter	2	\$ 0
Service Line Inspection	0	\$ 0

WOOD CREEK WATER DISTRICT

Response to Commission Staff's Second Request for Information Case No. 2022-00145

Question No. 3

Responding Witness: Dewayne Lewis

Q-3. Provide the current cost justification forms for all nonrecurring charges listed in Wood Creek District's tariff including its tap fees for all meter sizes.

A-3. See Attachment 3. Wood Creek District is unable to locate the current cost justification form for its Service Line Inspection fee and, therefore, has not include that form. The Public Service Commission approved this fee in Case No. 10048. It has not been revised since that time.

NONRECURRING CHARGE COST JUSTIFICATIONType of Charge: Reconnection / Service Charge**1. Field Expense:****A. Materials (Itemize)**

_____	\$ _____
_____	_____
_____	_____

B. Labor (Time and Wage)

<u>1 Hour @ \$26.25</u>	<u>\$26.25</u>
\$26.25 includes wages & all employee costs per hour	

Total Field Expense	\$ <u>26.25</u>
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2. Clerical and Office Expense

A. Supplies	\$ _____
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B. Labor	<u>3.75</u>
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Total Clerical and Office Expense	\$ <u>3.75</u>
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3. Miscellaneous Expense

A. Transportation Truck Costs	\$ <u>10.00</u>
1 Hour @ \$10.00	

B. Other (Itemize)	_____
_____	_____
_____	_____

Total Miscellaneous Expense	\$ <u>10.00</u>
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Total Nonrecurring Charge Expense	\$ <u>40.00</u>
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NONRECURRING CHARGE COST JUSTIFICATIONType of Charge: Reconnection - After Hours**1. Field Expense:****A. Materials (Itemize)**

_____	\$ _____
_____	_____
_____	_____

B. Labor (Time and Wage)

2 Hours @ \$26.25	\$52.50
<hr/>	
\$26.25 includes wages & all employee costs per hour	
Total Field Expense	\$ 52.50

2. Clerical and Office Expense

A. Supplies	\$ _____
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B. Labor	<u>7.50</u>
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Total Clerical and Office Expense	\$ <u>7.50</u>
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3. Miscellaneous Expense

A. Transportation Truck Costs	\$ <u>20.00</u>
2 Hours @ \$10.00	

B. Other (Itemize)

_____	_____
_____	_____
_____	_____

Total Miscellaneous Expense	\$ <u>20.00</u>
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Total Nonrecurring Charge Expense	\$ <u>80.00</u>
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NONRECURRING CHARGE COST JUSTIFICATIONType of Charge: Additional Trip Charge**1. Field Expense:****A. Materials (Itemize)**

_____	\$ _____
_____	_____
_____	_____

B. Labor (Time and Wage)

1 Hour @ \$26.25	\$26.25
<u>\$26.25 includes wages & all employee costs per hour</u>	_____

Total Field Expense	\$ 26.25
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2. Clerical and Office Expense

A. Supplies	\$ _____
--------------------	----------

B. Labor	_____ 3.75
-----------------	------------

Total Clerical and Office Expense	\$ 3.75
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3. Miscellaneous Expense

A. Transportation Truck Costs	\$ 10.00
1 Hour @ \$10.00	_____

B. Other (Itemize)

_____	_____
_____	_____
_____	_____

Total Miscellaneous Expense	\$ 10.00
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Total Nonrecurring Charge Expense	\$ 40.00
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NONRECURRING CHARGE COST JUSTIFICATIONType of Charge: Returned Check**1. Field Expense:****A. Materials (Itemize)**

_____	\$ _____
_____	_____
_____	_____

B. Labor (Time and Wage)

_____	_____
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Total Field Expense	\$ _____
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2. Clerical and Office Expense

A. Supplies	\$ <u>4.00</u>
--------------------	-----------------------

B. Labor 1 Hour @ \$20.69	<u>20.69</u>
\$20.69 includes wages & all employee costs per hour for office staff	

Total Clerical and Office Expense	\$ <u>24.69</u>
--	------------------------

3. Miscellaneous Expense

A. Transportation	\$ _____
--------------------------	-----------------

B. Other (Itemize)

_____	_____
_____	_____
_____	_____

Total Miscellaneous Expense	\$ _____
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Total Nonrecurring Charge Expense	\$ <u>24.69</u>
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**AVERAGE METER CONNECTION EXPENSE
COST JUSTIFICATION**

Name of Utility Wood Creek Water District

The following is an itemization of expenses for providing a metered service connection.

A. Meter Size

5/8-Inch 3/4-Inch 1-Inch 1 1/2 -Inch 2-Inch

Other (specify) _____

B. Materials Expense

	<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1. Water Meter	<u>1</u>	<u>\$33.90</u>	<u>\$33.90</u>
2. Meter Yoke	<u>1</u>	<u>95.00</u>	<u>95.00</u>
3. Corporation Stop	<u>1</u>	<u>19.19</u>	<u>19.19</u>
4. Meter Box and Top	<u>1</u>	<u>25.31</u>	<u>25.31</u>
5. Miscellaneous Fittings	<u>1</u>	<u>13.25</u>	<u>13.25</u>
6. Other (Itemize)			
<u>Saddle</u>	<u>1</u>	<u>29.05</u>	<u>29.05</u>
_____	_____	_____	_____
_____	_____	_____	_____
TOTAL MATERIALS EXPENSE			\$ <u>215.70</u>
(add total cost)			

C. Service Pipe ExpenseType of Service Pipe CTS Size of Service Pipe 3/4"

	<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1. Short Side Service	<u>8</u>	<u>0.34</u>	<u>2.72</u>
2. Long Side Service	<u>50</u>	<u>0.34</u>	<u>17.00</u>
AVERAGE SERVICE PIPE EXPENSE (add total cost and divide by 2)			<u>\$ 9.86</u>

D. Installation Labor Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>2</u>	<u>26.25</u>	<u>52.50</u>
2. Long Side Service	<u>4</u>	<u>26.25</u>	<u>105.00</u>
AVERAGE INSTALLATION LABOR EXPENSE (add total cost and divide by 2)			<u>\$ 78.75</u>

E. Installation Equipment Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service (backhoe)	<u>1</u>	<u>50.00</u>	<u>50.00</u>
2. Long Side Service (backhoe)	<u>2</u>	<u>50.00</u>	<u>100.00</u>
AVERAGE INSTALLATION EQUIPMENT EXPENSE (add total cost and divide by 2)			<u>\$ 75.00</u>

F. Installation Miscellaneous Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Inspection	<u>1</u>	<u>26.25</u>	<u>26.25</u>
2. Site Clean-Up 2 men & backhoe	<u>1</u>	<u>102.50</u>	<u>102.50</u>
3. Other			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
AVERAGE INSTALLATION MISCELLANEOUS EXPENSE (add total cost)			\$ <u>128.75</u>

G. Overhead Expense

1. Installation expense (\$ 232.50) times
overhead rate (5 %) \$ 11.63

H. Administrative Expense

1. Office expense for establishing a new account
and billing record. \$16.83 x 1/2 hour \$ 8.42

I. Total Expenses

Materials Expense	\$ _____
Service Pipe Expense	_____
Installation Labor Expense	_____
Installation Equipment Expense	_____
Installation Miscellaneous Expense	_____
Overhead Expense	_____
Administrative Expense	_____

TOTAL CONNECTION EXPENSE \$ 528.11

WOOD CREEK WATER DISTRICT

Response to Commission Staff's Second Request for Information Case No. 2022-00145

Question No. 4

Responding Witness: Dewayne Lewis

- Q-4. Refer to Application, Exhibit 13, Current Billing Analysis. Wood Creek District did not indicate or provide any billing adjustments that were made during the test year. Provide all billing adjustments that were made during the test year and supporting documentation. If there were no billing adjustments made during the test year explain why not.**
- A-4. See Spreadsheet_2-004_BillingAdjustments. A copy of this spreadsheet is embedded in this Response and is also filed separately with the Response.

WOOD CREEK WATER DISTRICT

Response to Commission Staff's Second Request for Information Case No. 2022-00145

Question No. 5

Responding Witness: Dewayne Lewis

Q-5. Refer to Wood Creek District's response to Staff's First Request for Information, Item 14.

- a. Refer to part A. For all debt listed in schedule D1, provide a summary of the institution to whom the debt is owed, its original purpose, and the Case No. of the case in which it was authorized by the Public Service Commission.**
- b. Refer to part B. For the line of credit described, state if Wood Creek District plans to roll the balance over at the date of maturity listed.**

A-5. a. See Attachment 5a.

b. Wood Creek District plans to roll the balance over at date of maturity.

WOOD CREEK WATER DISTRICT
 LONG-TERM DEBT
 For the year ended December 31, 2021

Original Amount	Amount Outstanding	Institution	PSC Case No.	Original Purpose
\$ 7,250,000	\$ 5,793,000	USDA Rural Development	2005-00453	20" and 24" transmission line; improvements to water treatment plant and clearwell
\$ 725,000	\$ 577,000	USDA Rural Development	2005-00453	20" and 24" transmission line; improvements to water treatment plant and clearwell
\$ 2,942,000	\$ 2,942,000	USDA Rural Development	2020-00352	Waterline replacement; tank repainting; water meter purchase
\$ 3,594,000	\$ 1,889,000	Ky. Rural Water Finance Corporation	2005-00453	20" and 24" transmission line; improvements to water treatment plant and clearwell
\$ 2,086,000	\$ 1,378,000	Ky. Rural Water Finance Corporation	2006-00453	Purchase property for watershed protection purposes
\$ 2,780,000	\$ 1,670,000	Ky. Rural Water Finance Corporation	2014-00440	Refund existing bonds held by USDA Rural Development

WOOD CREEK WATER DISTRICT

Response to Commission Staff's Second Request for Information Case No. 2022-00145

Question No. 6

Responding Witness: Dewayne Lewis

Q-6. 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;**
- b. The trial balance for the calendar years 2020 and 2021 to date.**

A-6. a. See Spreadsheet_006a_2020GeneralLedger.xls and Spreadsheet_006a_2021GeneralLedger.xls. A copy of each spreadsheet is embedded in this Response and is also filed separately with this Response.

- b. See Spreadsheet_006b_TrialBalances. A copy of this spreadsheet is embedded in this Response and is also filed separately with this Response.

WOOD CREEK WATER DISTRICT

Response to Commission Staff's Second Request for Information Case No. 2022-00145

Question No. 7

Responding Witness: Alan Vilines

- Q-7. Refer to Application, Exhibit 10, Appendix C, Schedule of Adjusted Operations. For the reference page attached, provide the work papers, in fully accessible excel file format, used for the calculation of each adjustment proposed.**
- A-7. See Wood Creek District's Response to Commission Staff Request 1-41 and the workbook named Q41_WoodCreekWorksheet.xlsx, which is embedded in that response. For ease of reference, a copy of this workbook has been embedded in this Response and is also filed separately with this Response