

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
NORTHEAST WOODFORD COUNTY WATER DISTRICT)	2022-00221

RESPONSE OF NORTHEAST WOODFORD COUNTY WATER DISTRICT
TO THE COMMISSION STAFF'S SECOND REQUEST FOR
INFORMATION DATED SEPTEMBER 20, 2022

**Northeast Woodford County Water District
Case No. 2022-00221
Commission Staff's Second Request for Information**

Witnesses: Mary Routh #1-12a
Robert K. Miller #12b-c

1. Refer to Northeast Woodford District's response to Commission Staff's First Request for Information (Staff's First Request), Item 1a_2021_General_Ledger.xlsx, the information provided is not what was requested by Commission Staff. Provide a complete chronological General Ledger, with each transaction for the test year recorded.

Response: From Rachel Short, CPA: *“Since you keep the ledger manually in your ledger book, all we have is our general ledger recap, which he is referring to as “1a 2021 General Ledger.” We compiled the recap using your ledger book and the bank statements. However, your “Operation and Maintenance” spreadsheet (I attached a copy) is essentially an electronic version of your ledger book.”*

See files 1a_2021_General_Ledger
1a_2021_Operation_and_Maintenance

2. Refer to Northeast Woodford District's response to Staff's First Request, Item 1d. Provide documentation showing all commissioners have completed the required six instructional hours of water district management training to receive the \$6,000 annual salary.

Response: See file 2_Training_Certificates

3. Refer to Northeast Woodford District's response to Staff's First Request, Item 1e. Northeast Woodford District did not provide the fiscal court minutes authorizing Commissioner's compensation. Provide the fiscal court minutes approving each Commissioner's compensation.

Response: Woodford County Fiscal Court has not taken any action on Commissioner's compensation.

4. Refer to Northeast Woodford District's response to Staff's First Request, Item 1a, 1a_2021_Trial_Balance.xlsx; and Item 2. The 2021 Trial Balance account #4011 Late Fees balance is \$10,925. According to Northeast Woodford District's response to Staff's First Request, Item 2, the annual dollar amounts of late fees assessed for 2021 is \$11,203. Reconcile the difference.

Response: The correct amount for Penalties billed in 2021 is \$10,925.33. See file 4_Penalties_2021

5. Refer to the Application, Attachment 4, Schedule of Adjusted Operations; and Northeast Woodford District's response to Staff's First Request, Item 8, 8_Monthly_Water_Purchases.xlsx.
 - a. In the application, the Purchased Water Expense is \$419,713; however, the response to Staff's First Request indicates the total for Purchased Water Expense is \$408,428. Reconcile the difference.

Response: A reconciliation is provided below.

408,428	Total water purchases per "8 Monthly Water Purchases"
(268.39)	Less FPB January - RFH accrued/included this amount in FY 2020 because it is related to December 2020 usage
(378.55)	Less FPB May - RFH does not have this amount for May
5,674.75	Add amount RFH has for FPB May
<u>6,256.52</u>	Add amount of FPB January 2022 bill - RFH accrued / included this amount in FY 2021 because it is related to December 2021 usage
419,712	Total water purchases per RFH's "Water Purchases" spreadsheet

- b. Provide the gallons of water purchased by Northeast Woodford District from Versailles Municipal Utilities during 2021 after January 1st and before January 11th and 12th; and after December 13th, until December 31st .

Response: See file 5_Water_Purchases Versailles Municipal

- c. Provide the gallons of water purchased by Northeast Woodford District from Frankfort Water Plant Board during 2021 after January 1st and before January 11th; and after November 29th, until December 31st.

Response: See file 5_Water_Purchases Frankfort Plant

6. Refer to the Application, Attachment 4, Schedule of Adjusted Operations; and Northeast Woodford District's response to Staff's First Request, Item 8, 8_Monthly_Water_Purchases.xlsx, and Northeast Woodford District's Annual Report to the Public Service Commission for the Calendar Year Ended December 31, 2021 (2021 Annual Report) at 57. The total number of Gallons Purchased reported in the 2021 Annual Report is 165,154,000; the total Gallons purchased in Northeast Woodford District's response to Staff's First Request is 1,704,373. Reconcile the difference.

Response: The Total Gallons Purchased in Northeast Woodford District's response to Staff's First Request was inadvertently reported in hundreds of gallons. A reconciliation is provided below.

170,437,300	Total gallons purchased per "8 Monthly Water Purchases"
(2,711,300)	Less VMU December - RFH does not have this amount for December
2,710,200	Add amount RFH has for VMU December
(38,300)	Less VMU August - RFH does not have this amount for August
138,300	Add amount RFH has for VMU August

(9,450,000)	Less FPB January - RFH accrued/included this amount in FY 2020 because it is related to December 2020 usage
(100)	Less FPB April - RFH does not have this amount for April
1,000	Add amount RFH has for FPB April
(39,900)	Less FPB May - RFH does not have this amount for May
1,903,000	Add amount RFH has for FPB May
<u>2,203,000</u>	Add amount of FPB January 2022 bill - RFH accrued/included this amount in FY 2021 because it is related to December 2021 usage
165,153,200	Total water purchases per RFH's "Water Purchases" spreadsheet (ties to below)

Total Gallons Purchased per RFH's "Water Purchases" Spreadsheet (in thousands)		Rounded for PSC Report
13,519.0		13,519
15,058.9		15,059
8,615.9		8,616
13,379.9		13,380
11,777.5		11,778
15,580.0		15,580
13,968.4		13,968
17,593.9		17,594
16,788.3		16,788
15,910.9		15,911
17,889.7		17,890
<u>5,070.8</u>		<u>5,071</u>
165,153.2		165,154

- Refer to the Application, Attachment 4, Schedule of Adjusted Operations; and Northeast Woodford District's response to Staff's First Request, Item 9, 9_Water_Suppliers_and_Rates.pdf. Provide the price Northeast Woodford District paid during test year for the water purchased from Frankfort Water Plant Board.

Response: See file 5 Water Purchases

- Confirm the most recent purchased water adjustment Northeast Woodford District filed is Case No. 2018-00265.

Response: Northeast Woodford District confirms the most recent purchased water adjustment Northeast Woodford District filed is Case No. 2018-00265.

- Refer to the Application, Attachment 7, Depreciation Schedule. Confirm Northeast Woodford District's meters are all radio read meters.

Response: Northeast Woodford District confirms that all district meters are radio read meters.

- Refer to Northeast Woodford District's response to Staff's First Request, Item 4, Return Check Fee Cost Justification. Explain whether Northeast Woodford District's bank charges a fee for deposited checks that are rejected for

insufficient funds. If a charge is assessed, provide this charge and documentation supporting this charge.

Response: Northeast Woodford District’s bank does not charge a fee for deposited checks that are rejected for insufficient funds.

11. Refer to Northeast Woodford District’s response to Staff’s First Request, Item 4, Reconnection Fee Cost Justification. Provide the mileage amount and service distance driven to calculate the Transportation Expense of \$15.

Response: From the District Office to the furthest point in the District is 15 miles. A round trip would be 30 miles at \$0.50 per mile (state rate) would be \$15.00.

12. Refer to Northeast Woodford District’s response to Staff’s First Request, Item 18d, and the Application, Attachment 5. The 2021 billing information provided is dated January 6, 2021, through November 3, 2021. The December billing information is identical to the July 2, 2021 information.

- a. Provide the billing data for January 1, 2021, through December 31, 2021.

Response: The duplication billing data for July has been removed and the correct billing data for the December billing has been inserted.

See file 18d_Billing_Register_Totals_Pages_Corrected

- b. Provide the billing data used to create the Current Billing Analysis provided in the application as Attachment 5.

Response: See file 18_b_Rate_Analysis

- c. Reconcile any differences between the billing data used to create the Current Billing Analysis and the billing data from the calendar year 2021.

Response: See file 12c_Reconciliation

Reconciliation	Accounts/Bills	Usage	Revenue
Monthly Billing Register Totals	12,246	153,518,000	\$ 686,816.10
Difference	7	3,062,000	15,861
Percentage	0.06%	1.99%	2.31%
Rate Analysis Report Totals	12,239	150,456,000	\$ 670,954.65
Difference	-	-	-
Percentage	0.00%	0.00%	0.00%
Current Billing Analysis in Rate Study	12,239	150,456,000	\$ 670,954.65