

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
GREEN-TAYLOR WATER DISTRICT)	2022-00246

RESPONSE OF GREEN-TAYLOR WATER DISTRICT
TO THE COMMISSION STAFF'S FIRST REQUEST FOR
INFORMATION DATED SEPTEMBER 2, 2022

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF) CASE NO.
GREEN-TAYLOR WATER DISTRICT) 2022-00246

VERIFICATION OF MARY ANN LARIMORE

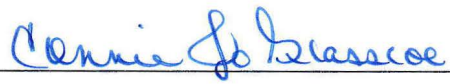
COMMONWEALTH OF KENTUCKY)
COUNTY OF Green)

Mary Ann Larimore, Office Manager of Green-Taylor 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.



Mary Ann Larimore

The foregoing Verification was signed, acknowledged, and sworn to before me this 26 day of September 2022, by Mary Ann Larimore.



Commission expiration: May 8, 2024

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF) CASE NO.
GREEN-TAYLOR WATER DISTRICT) 2022-00246

VERIFICATION OF ALAN VILINES

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF WARREN)

Alan Vilines, Kentucky Rural Water Association on behalf of Green-Taylor 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 26th day of September 2022, by Alan Vilines.

Bobbie S. Shanahan
Commission expiration: 7/12/2026
#KYNP 53770

Green-Taylor Water District
Case No. 2022-00246
Commission Staff's First Request for Information

Witnesses: Mary Ann Larimore (Items 1, 2, 3.b, 4, 6.a – d, 7 & 8)
Alan Vilines (Items 3.a, 5, 6.e, & 9 - 11)

1. Provide copies of each of the following, and when appropriate, provide in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected:

a. The general ledger for the calendar year 2021.

Response: See file GT1 1.a-General Ledger

b. Provide copies of Green-Taylor District's General Liability Insurance, Workers' Compensation Insurance and Automobile Insurance policies for 2021 and 2022.

Response: See file GT1 1.b-Insurance Policies

c. Provide copies of the invoices (bills) received in 2021 and 2022 for the insurance policies identified in Item 1.b.

Response: See file GT1 1.c-Insurance Bills

d. Using a table format, provide a document detailing the names, job titles, job description, and pay rates for each Green-Taylor District employee on December 31, 2019, December 31, 2020, December 31, 2021, and for those currently employed in 2022. Include the date the employee was hired and if applicable, the employee's termination date. Provide the requested table in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response: See file GT1 1.d-Employee Info

e. Using a table format, provide the regular hours, overtime hours, and other hours (identify) for each employee identified in Green-Taylor District's response to Item 1.d. for the calendar years 2019, 2020, and 2021. Provide the requested table in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response: See file GT1 1.e-Employee Hours

f. Provide a description of all employee benefits, other than salaries and wages, paid to, or on behalf of, each employee for the calendar years 2019, 2020, 2021, and 2022.

Response: All employees are provided with health, dental, life, vision, and disability insurance; retirement plan; and health savings account. In addition, maintenance personnel are provided uniforms, boots and cell phone reimbursement. The Office Manager is also provided cell phone reimbursement.

g. For each employee benefit listed in Green-Taylor District's response to Item 1.f., provide the total monthly premium per employee for each benefit, the employer premium contribution, and the employee premium contribution. Identify for the health insurance benefit provided to each employee the coverage type (i.e.; single, family, couple, or parent plus).

Response: See files GT1 1.g-Empl Dental Ins
GT1 1.g-Empl Health Ins
GT1 1.g-Empl Life_Disability
GT1 1.g-Empl Misc Benefits
GT1 1.g-Empl Retirement
GT1 1.g-Empl Vision Ins

h. Provide the minutes from Green-Taylor District's Board of Commissioners meetings for the calendar years 2020, 2021, and 2022.

Response: See files GT1 1.h-Board Minutes 2020
GT1 1.h-Board Minutes 2021
GT1 1.h-Board Minutes 2022

i. Provide a document listing the names of all Green-Taylor District's Commissioners for each calendar year 2020, 2021, and 2022, and state, individually, the total amount of each benefit paid to, or on the behalf of, each Commissioner during each year (i.e., wages, health insurance premiums, life insurance premiums, FICA taxes, etc.).

Response: See file GT1 1.i-Commissioner Comp

j. Provide the Fiscal Court minutes approving each commissioner's appointment and compensation.

Response: See file GT1 1.j-Fiscal Ct Minutes

2. Provide a copy of the Adjusted Trial Balance showing unaudited account balances, audit adjustments, and audited balances for the calendar year ended December 31, 2021, in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

Response: See file GT1 2-Trial Balance 2021

3. Refer to Green-Taylor District's Application, Attachment 4, Schedule of Adjusted Operations and Revenue Requirements and Attachment 4.a., References.

a. Provide the workpapers that support the pro forma adjustments described in the References page of Attachment 4.a., in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response: See file GT1 3.a-Adjustments

b. Green-Taylor District proposed to decrease Purchased Water expense by \$66,815 to eliminate two invoices from outside the test-year. Provide legible copies of Green-Taylor's purchased water invoices for the 12-month period of July 1, 2021, through June 30, 2022.

Response: See file GT1 3.b-Purch Water Invoices

4. Refer to the Application, Attachment 4, Schedule of Adjusted Operations and Revenue Requirements, Attachment 4.a., References, Table A Depreciation Expense Adjustments, and Attachment 7, Depreciation Schedule.

a. In Table A of the Application, the reported test-year depreciation expense is \$362,609, but the test-year depreciation expense in the schedule provided in Attachment 7 is \$349,623. Provide a detailed explanation for the noted differences in Green-Taylor District's test-year depreciation expense.

Response: The depreciation report amount of \$349,623, plus current year depreciation on assets sold or traded in 2021 of \$12,986 (four trucks not on depreciation report) equals test year depreciation expense of \$362,609.

b. Provide a copy of Green-Taylor District's 2021 Depreciation Schedule in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible that supports its reported test-year depreciation expense.

Response: An Excel spreadsheet of the Depreciation Schedule is not available.

5. Refer to the Application, Attachment 8, Outstanding Debt Instruments, and Attachment 9, Amortization Schedules. For each debt issuance that is still active; provide the case number in which the Commission authorized Green-Taylor District to issue the debt.

Response:

KIA Loan F18-005	Case No. 2018-00368
KACO Refinancing	Case No. 2019-00071
KIA Loan F19-018	Case No. 2021-00233

6.
 - a. Identify the number of new connections (meters) that Green-Taylor District installed in calendar year 2021.
 - b. Identify the amount of tap-on fees Green-Taylor District collected in calendar year 2021.
 - c. Identify the account where Green-Taylor District recorded its tap-on fees.
 - d. State whether Green-Taylor District keeps a record of the dollar amounts of labor and materials used to install new customer taps. If so, state the amount of labor expense and materials expense for the test year and where it is located in the general ledger. Separately, state the amounts expensed to install each new meter during the test year.

Response: There were 81 new meters installed in 2021 and \$61,850 in tap fees collected. The GL accounts where tap fees are recorded are 130-1311 and 617-4320. The District does not record the amounts of expenses for installing new taps.

- e. Provide revised cost justification sheets to support any changes to the Meter Connection/Tap-on Fee.

Response: See file GT1 6.e-Cost Justification New Meters

7. Provide the number of occurrences for which late fees were assessed during the calendar years 2017, 2018, 2019, 2020, and 2021.

Response: See file GT1 8-NRC Amounts

8. Provide the total amount collected for each nonrecurring charge and the number of occurrences for each nonrecurring charge that were assessed during the calendar years, 2017, 2018, 2019, 2020, and 2021.

Response: See file GT1 8-NRC Amounts

9. Provide an updated cost justification sheet for each nonrecurring charge listed in Green-Taylor District's tariff.

Response: See file GT1 9-Cost Justifications NRCs

10. State the last time Green-Taylor District performed a cost of service study (COSS) to review the appropriateness of its current rates and rate design.

Response: Available records over the past 20 years were searched and a COSS could not be located.

- a. Explain whether Green-Taylor District considered filing a COSS with the current rate application and the reasoning for not filing one.

Response: The District did not consider filing a COSS because there have been no material changes in customer usage patterns.

b. Explain whether any material changes to Green-Taylor District's system would cause a new COSS to be prepared since the last time it has completed one.

Response: A new COSS would be appropriate when material changes in customer usage patterns occur.

c. If there have been no material changes to Green-Taylor District's system, explain when Green-Taylor District anticipates completing a new COSS.

Response: See Item 10.b response.

d. Provide a copy of the most recent COSS that has been performed for Green-Taylor District's system in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

Response: No COSS could be located.

11. Refer to Green-Taylor District's Application, Attachment 5, Current Billing Analysis.

a. Provide the billing analysis in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

Response: See file GT1 11.a-Currrent Billing Analysis

b. Provide a list of applicable billing adjustments made to the billing analysis and include an explanation of each adjustment.

Response:

Misread meters	(101,300)
Leak Adjustments	<u>(16,194)</u>
	(117,494)