

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
NORTH SHELBY WATER COMPANY)	2022-00317

RESPONSE OF NORTH SHELBY WATER COMPANY
TO THE COMMISSION STAFF'S SECOND REQUEST FOR
INFORMATION DATED DECEMBER 5, 2022

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION


In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF) CASE NO.
NORTH SHELBY WATER COMPANY) 2022-00317

VERIFICATION OF DAVID HEDGES

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF SHELBY)

David Hedges, Manager of North Shelby Water Company, 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.

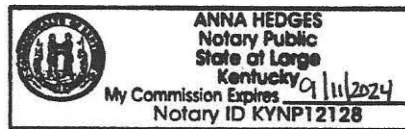


David Hedges

The foregoing Verification was signed, acknowledged and sworn to before me this 22nd day of December, 2022, by David Hedges.

Anna Hedges

Commission expiration: 9/11/2024



**North Shelby Water Company
Case No. 2022-00317
Commission Staff's Second Request for Information**

Witness: David Hedges #1-6

1. Refer to the Application, Schedule of Adjusted Operations, Other Water Revenues.

a. Provide a breakdown of the Miscellaneous Service Revenues of \$234,423.

Response:	Service Charge Income	\$57,500.00
	Contractual Services – Maintenance Overhead	\$115,851.18
	Contractual Services – Overhead Reimb	<u>\$61,072.37</u>
	Total	\$234,423.55

b. Provide a breakdown of the Other Water Revenues of \$13,401.

Response:	Return Check Fee Income	\$800.50
	Miscellaneous Income	<u>\$12,600.96</u>
	Total	\$13,401.46

2. Refer to North Shelby Water's response to Commission Staff's First Request for Information (Staff's First Request), Item 1d_Bonus.xlsx.

a. Describe eligibility for the Christmas bonus. Include reference to whether a minimum tenure period with North Shelby Water is required and whether classification as full time versus part time affects the amount paid.

Response: Christmas bonuses are for full-time employees. The only time the bonuses are prorated are when an employee hasn't been with the company for at least one year.

b. State whether the Christmas bonus is payable under a written personnel policy or whether the Board of Directors must approve annually.

Response: Christmas bonuses are approved annually by the board of directors.

c. Describe eligibility and program amounts (i.e. how much per year) for the years of service bonus.

Response: The employee receives 10% of their annual salary for every five years of service.

d. State whether the years of service bonus is payable under a written personnel policy or whether the Board of Directors must approve the continuation of the program each year.

Response: Years of service bonuses are written personnel policy originally approved by the board of directors.

3. Refer to North Shelby Water's response to Commission Staff's First Request, Item 5_Commissioners_Compensation.xlsx. The total authorized annual compensation for current directors cannot be determined from the information provided. Provide the total annual compensation for each director and the expiration date of each director's term.

Response: See file 3_Directors_Compensation_and_Expiration

4. Refer to North Shelby Water's response to Staff's First Request, Item 12, provide the amount collected in late fees that were assessed during the calendar years of 2017, 2018, 2019, 2020, 2021, and year to date of 2022.

Response: See file 4_Late_Charges

5. Refer to North Shelby Water's response to Staff's First Request, Item 14.
 - a. For each of the cost justification sheets where a Clerical and Office Expense lists supplies of \$1.00, provide an explanation of what is included in the \$1.00 expense.

Response: The \$1.00 charge is for paper and ink used.

- b. For the Membership Fee cost justification sheet, Clerical and Office Expense lists supplies of \$5.50, provide an explanation of what is included in the \$5.50 expense.

Response: The \$5.50 charge is for a marking flag that is provided for the customer at the time of sign up and ink and paper used.

6. Provide an updated cost justification sheets for the 5/8 x 3/4 - Inch tap-on fee and for the 1-Inch tap-on fee found in North Shelby Water's Tariff on file with the Commission.

**Response: See files 6_Meter_Connection_Justification_58x34inch
6_Meter_Connection_Justification_1inch**