

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF	)	CASE NO.
WHITLEY COUNTY WATER DISTRICT #1	)	2022-00321

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RESPONSE OF WHITLEY COUNTY WATER DISTRICT #1  
TO THE COMMISSION STAFF'S SECOND REQUEST FOR  
INFORMATION DATED DECEMBER 8, 2022



**Whitley County Water District  
Case No. 2022-00321  
Commission Staff's Second Request for Information**

**Witness:** Sandra Smith #1-6

1. Refer to Whitley District #1's response to Commission Staff's First Request for Information (Staff's First Request), Item 1i. Provide Whitley County Fiscal Court Minutes approving each current commissioner's current compensation.

**Response: See file      1\_Fiscal Court Minutes**

**Chairman Andy Meadors wrote to Whitley County Fiscal Court with a "request that the Fiscal Court consider setting the annual compensation of the board of commissioners at \$6,000.00 effective January 1, 2022" in the attached letter.**

**On December 21, 2021, Whitley County Fiscal Court approved the recommendation: "*Motion by: Harrison, Seconded by: Jarboe, to approve setting the annual compensation of the Whitley County Water District Board of Commissioners, as presented. Voting: All voted Yea!*"**

2. Refer to the Application, Attachment 4, Adjustment E. Confirm that Payroll Taxes were included in Miscellaneous Expenses and not included in Salaries and Wages-Employees Expense.

**Response: Yes, Payroll Taxes were included in Miscellaneous Expenses and not included in Salaries and Wages-Employees Expense.**

3. Refer to Whitley District #1's response to Staff's First Request, Item 6. Also refer to Whitley District #1's Tariff Sheet No. 4, Meter Connection/Tap-On Charge. Whitley District #1 did not include the Meter Connection/Tap-on Charge in the response to Staff's First Request, Item 6. Provide updated cost justification information for the Meter Connection/Tap-On Charge listed in Whitley District #1's tariff.

**Response: See files      3\_Tap\_Fee\_Cost\_Justification  
3\_Tap\_Fee\_Cost\_Justification\_Documentation**

4. Refer to the Application, Attachment 4, and Whitley District #1's response to Staff's First Request, Item 7, 7\_Water\_Purchases.xlsx. In its Application, Whitley District #1 reported test year Purchased Water Expense of \$746,436. In response to Staff's First Request Whitley District #1 recorded a total Purchase

Water Expense of \$697,664.2 Reconcile the difference between these two amounts.

**Response: See file 4\_Reconciliation**

**The 2021 PSC Annual Report amount of \$746,436 is incorrect. The amount should be \$737,423. Whitley District #1 will make a correction for the amount in error.**

**The Water Purchases spreadsheet is based on the daily master meter readings that are prepared from the 1st to the 31st of each month.**

**The difference between these two amounts is because the 2021 PSC Annual Report is based on what invoices were paid in 2021 from our suppliers. The invoices are dated different dates, depending on the date the Master Meter was read for that billing cycle from each supplier.**

**The attachment breaks down the numbers.**

**Whitley District #1 has the invoices from each supplier for the total amount of \$737,423.17. There are approximately 90 pages and Whitley District #1 will send them if necessary.**

5. Confirm that the expenses related to new meter connections installed during the test-year are included in the 2021 Depreciation Calculation.

**Response: Yes, the expenses related to new meter connections installed during the test-year are included in the 2021 Depreciation Calculation.**

6. Refer to Whitley District #1's response to Staff's First Request, Item 14, 14a\_Miscellaneous\_Service\_Revenue.pdf. In the 2021 Annual Report, Miscellaneous Service Revenue is reported as \$317,964. Reconcile the \$317,964 amount with the Miscellaneous Service Revenue total amount of \$310,690, provided in the response to Item 14a.

**Response: Page 50 from the 2021 Annual Report shows Miscellaneous Service Revenue of \$310,690.**

**14a Miscellaneous Service Revenue shows Miscellaneous Service Revenue of \$310,690.**

**Cell G12 of Tab SAO of 1j Rate Study shows Miscellaneous Service Revenue of \$310,690.**

**The difference between \$317,964 and \$310,690 is \$7,274, which is the amount of Interest Income reported on Page 21 of the 2021 Annual Report.**