

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
SOUTH 641 WATER DISTRICT SEWER DIVISION)	2023-00051

RESPONSE OF SOUTH 641 WATER DISTRICT
TO THE COMMISSION STAFF'S SECOND REQUEST FOR
INFORMATION DATED APRIL 24, 2023

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF))	CASE NO.
SOUTH 641 WATER DISTRICT SEWER DIVISION))	2023-00051

VERIFICATION OF RICKY WALLS

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF CALLOWAY)

Ricky Walls, Chairman of South 641 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.

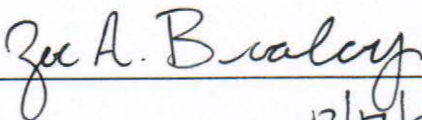


Ricky Walls

The foregoing Verification was signed, acknowledged and sworn to before me this 8th day of ~~April~~, 2023, by Ricky Walls.
May



Zoe Braboy
NOTARY PUBLIC
Commonwealth of Kentucky
Commission Number KYNP41894
My Commission Expires
December 17, 2025



Commission expiration: 12/17/2025

**South 641 Water District
Case No. 2023-00051
Commission Staff's Second Request for Information**

Witnesses: Ricky Walls

1. Refer to Application and response to Commission Staff's First Request for Information (Staff's First Request), Item 13. Explain the method that South 641 District utilized to determine how much to allocate to the water division and the sewer division for the test-year returned check fee revenue. Also explain why the revenue was not evenly allocated between the water and sewer divisions.

Response: The method utilized to determine how much to allocate to the water division and sewer division for returned check fee revenue is 62.2% water and 37.8% sewer pursuant to page 11 of PSC Staff Report #2015-00278 which states:

“Staff finds that it is appropriate to allocate the shared expenses listed above based on the number of customers served by each division except for Uncollectible Accounts and General Liability Insurance; however, the number of customer allocation factor used during the test year should have been calculated using the number of customers served by each division as of the end of the test year. The test-year allocation factor is shown below:

	<i>Number of Customers</i>	<i>Percent of Total</i>
<i>Sewer Division</i>	<i>220</i>	<i>37.80%</i>
<i>Water Division</i>	<i><u>362</u></i>	<i><u>62.20%</u></i>
<i>Total</i>	<i>582</i>	<i>100.00%”</i>

2. Refer to Staff First Request, Item 1b, 2021 Trial Balance, and South 641 Water District's 2021 Annual Report. Reconcile the difference between the Insurance Expenses reported in the 2021 Annual Report \$3,915.21 and the 2021 Trial Balance Insurance - General Liability - Sewer, Insurance - Workers' Comp - Sewer, and Insurance - Commercial Earthquake - Sewer sum total \$1,869.27.

Response: See file **2_Sewer_Insurance**

3. Refer to Staff First Request, Item 1b, 2021 Trial Balance, and South 641 Water District's 2021 Annual Report. Reconcile the difference between the Office Supplies and Other Expenses reported in the 2021 Annual Report \$5,255.97 and the 2021 Trial Balance Office Supplies & Other Expenses – Sewer \$3,235.72.

Response: See file **3_Sewer_Office_Expenses**

4. Refer to Staff First Request, Item 1b, 2021 Trial Balance, and South 641 Water District's 2021 Annual Report. List the accounts included in the \$15,914.84 Collection System-Labor, Materials and Expenses reported in the 2021 Annual Report.

Response: See file 4_Sewer_Collection_System_Labor_Materials_and_Expenses

5. Refer to Staff First Request, Item 1b, 2021 Trial Balance, and South 641 Water District's 2021 Annual Report. List the accounts included in the \$3,072.00 Meter Reading Expenses and Flat Rate Inspections reported in the 2021 Annual Report.

Response: See file 5_Sewer_Meter_Reading

6. Refer to Staff First Request, Item 1b, 2021 Trial Balance, and South 641 Water District's 2021 Annual Report. List the accounts included in the \$3,072.00 Internal Labor, Materials and Expenses reported in the 2021 Annual Report.

Response: See file 6_Sewer_Internal_Labor_Materials_and_Expenses

7. Refer to Staff First Request, Item 1b, 2021 Trial Balance, and South 641 Water District's 2021 Annual Report. List the accounts included in the \$517.54 Uncollectible Accounts reported in the 2021 Annual Report.

Response: See file 7_Sewer_Uncollectable_Accounts

8. Refer to Staff First Request, Item 1b, 2021 Trial Balance, and South 641 Water District's 2021 Annual Report. List the accounts included in the \$3,048.30 Administrative and General Salaries reported in the 2021 Annual Report.

Response: See file 8_Sewer_Admin_and_General_Salaries

9. Refer to Staff First Request, Item 1b, 2021 Trial Balance, and South 641 Water District's 2021 Annual Report. List the accounts included in the \$10,678.80 Pumping System-Labor, Materials and Expenses reported in the 2021 Annual Report.

Response: See file 9_Sewer_Pumping_System_Labor_Materials_and_Expenses

10. Refer to Staff First Request, Item 1b, 2021 Trial Balance, and South 641 Water District's 2021 Annual Report. List the accounts included in the \$2,136.47 Outside Services Employed reported in the 2021 Annual Report.

Response: See file 10_Sewer_Outside_Services_Employed

11. Refer to Staff First Request, Item 1b, 2021 Trial Balance, and South 641 Water District's 2021 Annual Report. List the accounts included in the \$465.27 Maintenance of General Plant reported in the 2021 Annual Report.

Response: After further review of the expenses, this number was reported in error and should be \$0.

12. Provide a detailed fixed asset listing for 2021 (test year) in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

Response: See file 12_Sewer_Depreciation