

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF HENDERSON COUNTY WATER DISTRICT)	2023-00101

RESPONSE OF HENDERSON WATER DISTRICT
TO THE COMMISSION STAFF'S SECOND REQUEST FOR
INFORMATION DATED JUNE 19, 2023

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

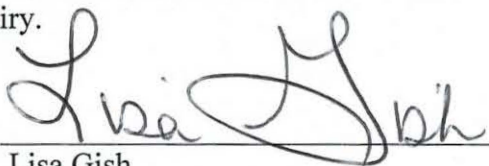
In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
HENDERSON COUNTY WATER DISTRICT)	2023-00101

VERIFICATION OF LISA GISH

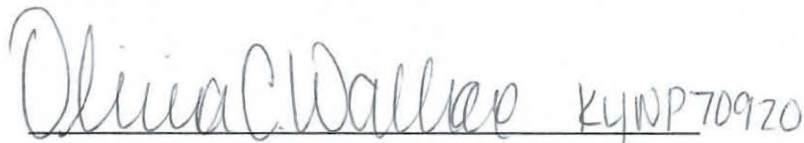
COMMONWEALTH OF KENTUCKY)
)
COUNTY OF HENDERSON)

Lisa Gish, Office Manager of Henderson County 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.



Lisa Gish

The foregoing Verification was signed, acknowledged and sworn to before me this 30th day of June, 2023, by Lisa Gish.



Commission expiration: April 18, 2027

**Henderson County Water District
Case No. 2023-00101
Commission Staff's Second Request for Information**

Witnesses: Lisa Gish

1. Refer to Henderson District's response to Commission Staff's First Request for Information (Staff's First Request), Item 22, 22_Rate_Study.xlsx. State whether new employee No. 9 and new employee No. 10 will have medical insurance.

Response: When hired, new employees #9 & #10 will be offered medical insurance.

2. Refer to Henderson District's 2021 Annual Report. Provide the number of gallons of water purchased from Henderson Water North and Henderson Water South for 2021 in the table below.

Henderson Water Utility North	
Henderson Water Utility South	
Total Gallons Purchased 2021 Annual Report	462,027,000

Response:

Henderson Water Utility North	433,747,000
Henderson Water Utility South	<u>28,577,000</u>
Total Gallons Purchased 2021 Annual Report	462,324,000*

***Following correction and update**

3. Refer to Henderson District's response to Staff's First Request, Item 9, 9_Trial_Balance.xlsx, and Application, Attachment 4, Schedule of Adjusted Operations (SAO). Provide the list of accounts and amounts that total the Salaries and Wages – Employees expense of \$436,307 for 2021.

Response:	601.7 Meter reading salaries	\$ 15,090.24
	620.7 Billing expense*	60,267.46
	601.6 Maintenance of mains	194,412.06
	602.6 Vacation	51,736.10
	601.8 Salaries – Office	<u>114,800.87</u>
	Total	\$436,306.73

***(\$53,642 of this account is supplies)**

4. Refer to Henderson District's response to Staff's First Request, Item 9, 9_Trial_Balance.xlsx, and Application, Attachment 4, SAO. Provide the list of accounts and amounts that total the Materials and Supplies expense of \$194,179 for 2021.

Response:	620.7 Billing Expense Materials and Supplies*	\$ 53,642.00
	620.2 Materials and Supplies Pumping	623.22
	620.6 Materials and Supplies Transmission	101,553.00
	620.8 Office supp	3,124.76
	621.8 Computer Expense	18,817.30
	622.8 Maintenance of General Plant	<u>16,418.46</u>
	Total	\$194,178.74

*(rest of the account was payroll expense)

5. Refer to Henderson District's response to Staff's First Request, Item 9, 9_Trial_Balance.xlsx, and Application, Attachment 4, SAO. Provide the list of accounts and amounts that total the Miscellaneous Expenses of \$11,790 for 2021.

Response:	674.7 NSF Charges	\$ 469
	675.8 Miscellaneous	10,880
	667.8 Regulatory Expenses*	<u>441</u>
	Total	\$ 11,790

*(other \$6,195 in this account was for taxes other than income)

6. Refer to Henderson District's response to Staff's First Request, Item 9, 9_Trial_Balance.xlsx, and Application, Attachment 4, SAO. Provide the list of accounts that total the Interest Income of \$9,808 for 2021.

Response:	419.0 Interest income	\$ 12,714
	421.0 Gain/loss on investment	<u>(2,906)</u>
	Total interest income	\$ 9,808

7. Provide a detailed fixed asset list for 2021.

Response: See file 7_Fixed_Assets_2021

8. Refer to the Application, Attachment 4, SAO, Miscellaneous Revenues, and to Henderson District's response to Staff's First Request, Item 2, 2_Nonrecurring_Charges.xlsx and Item 8, 8_General_Ledger.xlsx.
- a. Explain why General Ledger Account 462 - 0 Nonrecurring Charges has \$0.00 recorded revenues.

Response: Account #462-0 shows \$0.00 because charges are posted to account 470 on trial balance and 474-0 in audit and annual report.

Turn On Charge	312	\$ 7,800.00
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Return Check Charge	48	\$ 960.00
Line Inspection	5	\$ 200.00
Meter Testing	4	\$ 200.00
Reconnection	267	\$ 13,350.00
Reconnection After Hours	53	\$ 3,445.00
Field Collection	1	\$ 25.00
Total All Charges		\$ 25,980.00

- b. Provide the account number(s) where the \$25,880 nonrecurring charge revenues from the file 2_Nonrecurring_Charges.xlsx are recorded in the General Ledger and specify the amount of each type of charge if more than one account number is used to record nonrecurring charges.

Response: All Charges are under 474-0 on PSC annual report.

9. Refer to Henderson District's response to Staff's First Request, Item 2, the file 2_Nonrecurring_Charges.xlsx.

- a. Confirm that for each of the following Nonrecurring Charges that the tariffed rate was charged during the 2021 test year.

		Henderson's Calculation	Commission Staff Calculation
Turn On Charge	312	\$ 7,800	\$ 14,490
Line Inspection	5	\$ 200	\$ 125
Meter Testing	4	\$ 100	\$ 200
Reconnection	295	\$ 13,350	\$ 11,515

Response: The charges were all according to the Tariffed rates.

	Number	Rate	Total
Connection/Turn-On Charge	312	\$25	\$ 7,800
Service Line Inspection	5	\$40	200
Meter Test Charge	4	\$50	200
Reconnection Charge	295	\$50	11,515

- b. Explain why Henderson District's calculated revenues are approximately \$5,045 lower than the Commission Staff's Calculation as shown below.

Miscellaneous Service Revenues:	Current Number	Rate	Total
Connection/Turn-On Charge	312	\$25	\$14,490
Connection Charge After Hours	0	\$40	0
Field Collection Charge	1	\$25	25
Meter Reread	0	\$25	0

Meter Test Charge	4	\$50	200
Reconnection Charge	295	\$50	11,515
Reconnection Charge After Hours	53	\$65	3,445
Returned Check Charge	48	\$20	960
Service Call/Investigation Charge	0	\$25	90
Service Call/Investigation Charge After Hours	0	\$40	0
Service Line Inspection	5	\$40	<u>200</u>
Total Miscellaneous Service Revenues	718		\$30,925

Response: The calculation for Connection/Turn-On Charge above is incorrect. 312 Connections at \$25 is \$7,800 rather than \$14,490.

10. Refer to Henderson District's response to Staff's First Request, Item 8, the file 8_General_Ledger.xlsx , Account number 474 – 1 Miscellaneous Income/Billing Services.

- a. Explain the following invoices and memos associated with these invoices totaling \$2,379; invoice numbers 257, 261, 263, 265, 268, 270, 275, and 277 all for the city of Corydon; invoice numbers 260, 262, 264, 266, 267, 269, 271, 273, 274, 276, 278, and 279 all for the Henderson Municipal Utilities.

Response: See file 10_Billing_Services

- b. Explain whether these are reoccurring charges or if they were one-time charges to the city of Corydon and Henderson Municipal Utilities.

Response: The invoices listed for City of Corydon are for Reconnection charges for Corydon Sewer Cut off that HCWD does for the city of Corydon monthly. The charges change from month to month because the number of cut off changes from month to month. In months when no cut-offs were preformed, there would not be an invoice for any charges.

The invoices listed for Henderson Municipal Utilities are for sewer billing and consumption reports that HCWD does for HWU Monthly. These charges are based on the number of customers per month, which can vary.