

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
EAST LAUREL WATER DISTRICT)	2023-00130

RESPONSE OF EAST LAUREL WATER DISTRICT
TO THE COMMISSION STAFF'S FIRST REQUEST FOR
INFORMATION DATED MAY 15, 2023

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION


In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF) CASE NO.
EAST LAUREL WATER DISTRICT) 2023-00130

VERIFICATION OF DEWAYNE LEWIS

COMMONWEALTH OF KENTUCKY)
COUNTY OF LAUREL)

Dewayne Lewis, Manager of East Laurel 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.


Dewayne Lewis

The foregoing Verification was signed, acknowledged, and sworn to before me this 22 day of June 2023, by Dewayne Lewis.


TETON J. NAPIER

Commission expiration: 10-28-2023



East Laurel Water District
Case No. 2023-00130
Commission Staff's First Request for Information

Witnesses: Dewayne Lewis (Items 1 – 8, 10 – 15, 17 – 19, and 25)
Alan Vilines (Items 9, 16, and 20 – 24)

1. Provide the general ledger in Excel format with all formulas, rows, and columns fully accessible and unprotected for the years ended December 31, 2020, 2021, and 2022.

Response: See files EL1 1-GL 2020
EL1 1-GL 2021
EL1 1-GL 2022

2. Provide the trial balance in Excel format with all formulas, rows, and columns fully accessible and unprotected for the years ended December 31, 2020, 2021, and 2022.

Response: See files EL1 2-Trial Balance 2020
EL1 2-Trial Balance 2021
EL1 2-Trial Balance 2022

3. Provide a copy of the certificates of insurance and invoices for General Liability, Workers' Compensation, Automobile and property and casualty for 2021, 2022, and 2023.

Response: See file EL1 3-Insurance Info

4. Provide a document listing the names and terms, including term beginning and end dates, for all East Laurel District's Board members for each calendar year 2020, 2021, 2022, and 2023.

Response: See file EL1 4-Board Members

5. Provide the annual compensation for each current board member.

Response: Annual compensation for board members is \$6,000 each.

6. Provide Fiscal Court minutes that authorize the appointments and specify salary of each Board member.

Response: See file EL1 6-Fiscal Court Documents

7. Provide training records for each Board member for 2020, 2021, and 2022.

Response: See file EL1 7-Board Training

8. Provide the minutes from East Laurel District's Board of Directors meetings for the calendar years 2020, 2021, 2022, and year to date 2023.

Response: See file EL1 8-Bd Minutes 2020-2023

9. Refer to Application, Attachment 4, Schedule of Adjusted Operations and Revenue Requirements and References. Provide the workpapers that support each pro forma adjustment described in the Schedule of Adjusted Operations References in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response: See file EL1 9-Adjustments

10. Refer to Application, Attachment 4, Schedule of Adjusted Operations and Revenue Requirements and References. Provide a breakdown by line item of the \$44,029 in Misc. Service Revenue that is expected to recur in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response:

Returned Check Fees	\$ 1,350
Reconnect Charges	<u>42,680</u>
Total Misc. Service Revenue	\$ 44,030

11. Provide a detailed fixed assets listing for 2021 in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

Response: The requested document does not exist. The District's depreciation schedule was included with the application.

12. Refer to East Laurel District's October 5, 2007, maintenance agreement with Wood Creek Water District on file with the Public Service Commission last updated June 22, 2016. Confirm that the contract the Public Service Commission has on file between Wood Creek Water District and East Laurel District is current and not pending any updates. If not, provide a copy of the current contract.

Response: The October 5, 2007, contract the Commission has on file between Wood Creek Water District and East Laurel District is current and not pending any updates.

13. Refer to East Laurel District's October 5, 2007 maintenance agreement with Wood Creek Water District on file with the Public Service Commission last updated June 22, 2016. Provide all monthly invoices for materials and labor from Wood Creek Water District for the years 2021 and 2022. Provide all monthly invoice amounts by line item from Wood Creek Water District in Excel format with all formulas, rows, and columns fully accessible and unprotected for the years 2021 and 2022.

Response: See file EL1 13-Wood Ck Inv 2021
EL1 13-Wood Ck Inv 2022

14. Refer to East Laurel District's 2021 Annual Report. Provide the Flushing Reports for East Laurel District's reported 127,570,000 gallons or 25.14 percent of East Laurel District's total Purchased Water used for system flushing.

Response: See file EL1 14-Flushing Reports

15. Refer to East Laurel District's Application, Attachment 5, Current Billing Analysis and East Laurel District's 2021 Annual Report. Reconcile the difference between the Total Water Sales Reported in the 2021 Annual Report 304,372,000 gallons and the Total Gallons Sold in the 2021 (test year) Billing Analysis 302,131,000.

Response: The data for total water sales reported in the 2021 Annual Report was from Billing Registers generated soon after bills were issued. The source for water sales in the Billing Analysis was Rate Analysis reports generated when the rate study was being performed. There may have been minor adjustments in customer usage over the interim period of several months. The difference of 0.7 percent is considered immaterial.

16. Provide a copy of East Laurel District's current and proposed billing analysis in Excel spreadsheet format with all formulas, rows and columns unprotected and fully accessible.

Response: See file EL1 16-Billing Analyses

17. Provide updated cost justification sheets for all nonrecurring charges listed in East Laurel District's current tariff.

Response: See files EL1 17-2023 Service Charges
EL1 17-2023 After Hours Service Charges
EL1 17-2023 Meter Test
EL1 17-2023 Tap Fee Calculation
EL1 17-Cost Information

18. Provide the total amount recorded for each nonrecurring charge and the number of occurrences for each nonrecurring charge that was assessed during the 2021 test year and calendar year of 2022.

Response: See file EL1 18-Nonrecurring Charges

19. Provide the number of gallons of water purchased, the cost of purchases, and the average cost of purchases for each supplier by month and in total for the years ended December 31, 2020, 2021, 2022, and the year to date for 2023. Provide in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

Response: See file EL1 19-Water Purchased

20. State the last time East Laurel District performed a cost of service study (COSS) to review the appropriateness of its current rates and rate design.

Response: East Laurel District last performed a COSS in 2005. That study was submitted with the District's application in Case No. 2005-00476.

21. Explain whether East Laurel District considered filing a COSS with the current rate application and the reasoning for not filing one.

Response: A new COSS was not considered. Since there have been no material changes to customer usage patterns a COSS was not deemed necessary.

22. Explain whether any material changes to East Laurel 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 considered when material changes in customer usage patterns occur.

23. If there have been no material changes to East Laurel District's system explain when East Laurel District anticipates completing a new COSS.

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

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

Response: The most recent COSS was performed by PSC Staff in Case No. 2005-00476. See file EL1 24-Staff COSS. That study is not available in Excel spreadsheet format.

25. Provide the date that East Laurel District's billing cycle begins (meter read date) and whether the date that the billing cycle begins is the date that would be best stated as the effective date of any Order the Commission issues concerning rates in this case.

Response: The District begins reading meters on the first day of each month. Readings are usually complete by 15th day of each month. Therefore, the best effective date will be the 15th.