

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

**IN THE MATTER OF:**

<b>ELECTRONIC BLACK MOUNTAIN WATER</b>	)	
<b>DISTRICT UNACCOUNTED FOR WATER LOSS</b>	)	<b>CASE NO.</b>
<b>REDUCTION PLAN, SURCHARGE, AND</b>	)	<b>2023-00202</b>
<b>MONITORING</b>	)	

**RESPONSES TO COMMISSION STAFF’S FOURTH REQUEST FOR INFORMATION  
TO BLACK MOUNTAIN UTILITY DISTRICT DATED  
DECEMBER 10, 2024**

**Filed: January 2, 2025**



**BLACK MOUNTAIN UTILITY DISTRICT**  
**PSC CASE NO. 2023-00202**  
**RESPONSE TO FOURTH REQUEST FOR INFORMATION**

**Request 1:** Explain why the surcharge collections amount has increased substantially from the months of September and October 2024.

**Response 1:** In Case No. 2022-00275<sup>1</sup>, the October 9, 2023 Order, required Black Mountain to phase in the Commission's approved rates over a three year period. The Phase 2 rates were to begin one (1) year after the Phase 1 rates.<sup>2</sup> The Phase 1 surcharge rate was \$2.63/month. The Phase 2 surcharge rate is \$5.27.

As required by the October 9, 2023 Order,<sup>3</sup> Black Mountain published notice of the increase in surcharge funds in *The Harlan Daily Enterprise* on October 16, 2024. A copy of this notice and publisher's affidavit is attached as Attachment PSC 4-1. Black Mountain inadvertently failed to file this notice in the post-case correspondence for Case No. 2022-00275 as required by the October 9, 2023 Order but is doing so contemporaneously with this response.

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<sup>1</sup> Case No. 2022-00275, *Electronic Application of Black Mountain Utility District for a Rate Adjustment Pursuant to 807 KAR 5:076*, October 9, 2023 Order (Ky. PSC October 9, 2023).

<sup>2</sup> Case No. 2022-00275, October 9, 2023 Order at 28 and Appendix A.

<sup>3</sup> Case No. 2022-00275, October 9, 2024 Order at 28.

## **ATTACHMENT PSC 4-1**

# Publisher's Certificate of Publication

## STATE OF KENTUCKY COUNTY OF HARLAN

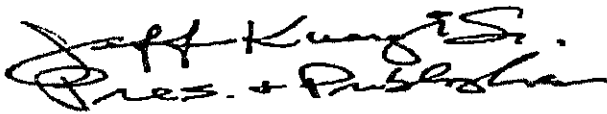
Jeff Kuerzi, being duly sworn, on oath says he is and during all times herein stated has been an employee of Harlan Newsmedia publisher and printer of the The Harlan Daily Enterprise (the "Newspaper"), has full knowledge of the facts herein stated as follows:

1. The Newspaper printed the copy of the matter attached hereto (the "Notice") was copied from the columns of the Newspaper and was printed and published in the English language on the following days and dates:

10/16/24

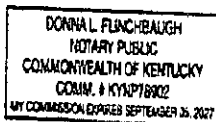
2. The sum charged by the Newspaper for said publication is the actual lowest classified rate paid by commercial customer for an advertisement of similar size and frequency in the same newspaper in which the Notice was published.

3. There are no agreements between the Newspaper, publisher, manager or printer and the officer or attorney charged with the duty of placing the attached legal advertising notice whereby any advantage, gain or profit accrued to said officer or attorney



Jeff Kuerzi, publisher

Subscribed and sworn to before me this  
16th Day of October, 2024

Donna Flinchbaugh, Notary Public  
Kentucky State at Large  
KYNP78902  
My commission expires 09-05-2027

Account #  
Ad # 1894811

BLACK MOUNTAIN UTILITY  
609 FOUR MILE ROAD  
BAXTER KY 40806

PUBLIC NOTICE	
APPENDIX	
APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2022-00275 DATED OCT 09 2023	
The following rates and charges are prescribed for the customers in the area served by Black Mountain Utility District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.	
<u>Monthly Water Rates</u> <u>Phase 1</u>	
<u>Division 1</u>	
First 2,000 Gallons	\$26.17 Minimum Bill
Over 2,000 Gallons	\$0.00879 Per Gallon
Debt Service Surcharge	\$4.28 Per Month
Water Loss Reduction Surcharge	\$2.63 Per Month
<u>Division 2</u>	
First 2,000 Gallons	\$26.17 Minimum Bill
Over 2,000 Gallons	\$0.00879 Per Gallon
Water Loss Reduction Surcharge	\$2.63 Per Month
<u>Other Rates</u>	
Wholesale & Leak Adjustment Rate	\$0.00479 Per Gallon
<u>Monthly Water Rates</u> <u>Phase 2 - To Be Implemented One Year After Phase 1 Rates</u>	
<u>Division 1</u>	
First 2,000 Gallons	\$26.17 Minimum Bill
Over 2,000 Gallons	\$0.00879 Per Gallon
Debt Service Surcharge	\$4.26 Per Month
Water Loss Reduction Surcharge	\$5.27 Per Month
<u>Division 2</u>	
First 2,000 Gallons	\$26.17 Minimum Bill
Over 2,000 Gallons	\$0.00879 Per Gallon
Water Loss Reduction Surcharge	\$5.27 Per Month
<u>Other Rates</u>	
Wholesale & Leak Adjustment Rate	\$0.00479 Per Gallon
<u>Monthly Water Rates</u> <u>Phase 3 - To Be Implemented One Year After Phase 2 Rates</u>	
<u>Division 1</u>	
First 2,000 Gallons	\$26.17 Minimum Bill
Over 2,000 Gallons	\$0.00879 Per Gallon
Debt Service Surcharge	\$4.26 Per Month
Water Loss Reduction Surcharge	\$7.91 Per Month
<u>Division 2</u>	
First 2,000 Gallons	\$26.17 Minimum Bill
Over 2,000 Gallons	\$0.00879 Per Gallon
Water Loss Reduction Surcharge	\$7.91 Per Month
<u>Other Rates</u>	
Wholesale & Leak Adjustment Rate	\$0.00479 Per Gallon
<u>Nonrecurring Charges</u>	
Reconnection Fee	\$ 8.00
Reconnection Fee (After Hours)	\$43.00
Meter Cover Replacement	\$35.00
Meter Re-Read Charge	\$ 5.00
Broken Meter Lock	\$15.00
Returned Check Charge	\$ 2.00
Meter Test Charge	\$25.00


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**Request 2:** Explain the \$4,280.25 discrepancy between the September surcharge bank account statement and the October bank statement. If a deposit was made between the two statement dates, provide documentation recording such deposit.

**Response 2:** Please see Attachment PSC 4-2. There was a deposit on October 15, 2024, for \$4,280.25.

## **ATTACHMENT PSC 4-2**

ACCOUNT DETAILS

WL Surcharge Account  
  
**\$134,586.19**  
 Available Balance  
 Current Balance \$134,586.19

Transaction Details

Type:  Keyword:  Date:

From:  To:  Amount:  Amount From:

Amount To:

[Clear Search](#) [Hide advanced](#)

In Process Transactions

Date	Description	Amount
There are no upcoming transactions.		

Past Transactions

Date	Description	Amount	Balance
Dec 23	Internet Transfer from *4676 CK	<u>+\$6,602.05</u>	\$134,586.19
Dec 16	Internet Transfer from *4676 CK	<u>+\$6,570.07</u>	\$127,984.14
Dec 09	Internet Transfer from *4676 CK	<u>+\$3,522.43</u>	\$121,414.07
Dec 02	Internet Transfer from *4676 CK	<u>+\$475.30</u>	\$117,891.64
Nov 30	Credit Interest	<u>+\$6.24</u>	\$117,416.34
Nov 25	Internet Transfer from *4676 CK	<u>+\$3,544.13</u>	\$117,410.10
Nov 18	Internet Transfer from *4676 CK	<u>+\$6,900.39</u>	\$113,865.97
Nov 12	Internet Transfer from *4676 CK	<u>+\$5,652.60</u>	\$106,965.58
Nov 04	Internet Transfer from *4676 CK	<u>+\$1,157.49</u>	\$101,312.98
Oct 31	Credit Interest	<u>+\$4.77</u>	\$100,155.49
Oct 28	Internet Transfer from *4676 CK	<u>+\$7,832.83</u>	\$100,150.72
Oct 15	Internet Transfer from *4676 CK	<u>+\$4,280.25</u>	\$92,317.89
Sep 30	Credit Interest	<u>+\$4.11</u>	\$88,037.64
Sep 30	Internet Transfer from *4676 CK	<u>+\$333.14</u>	\$88,033.53



Date ▼	Description	Amount	Balance
Sep 23	Internet Transfer from *4676 CK	<u>+\$2,345.01</u>	\$87,700.39
Sep 16	Internet Transfer from *4676 CK	<u>+\$3,719.66</u>	\$85,355.38
Sep 09	Internet Transfer from *4676 CK	<u>+\$2,732.22</u>	\$81,635.72

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**Request 3:** Refer to the invoices submitted with the motion to use surcharge funds filed on September 30, 2024. Confirm that Daniel Smith was paid his normal wages during the times documented on the invoices. If not confirmed, explain why not.

**Response 3:** Mr. Smith was paid his normal wages during the documented times.