

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
CUNNINGHAM WATER DISTRICT)	2023-00323

RESPONSE OF CUNNINGHAM WATER DISTRICT
TO THE COMMISSION STAFF'S SECOND REQUEST FOR
INFORMATION DATED DECEMBER 20, 2023

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF) CASE NO.
CUNNINGHAM WATER DISTRICT) 2023-00323

VERIFICATION OF ERIC YOUNG

COMMONWEALTH OF KENTUCKY)
COUNTY OF Caelisle)

Eric Young, Manager of Cunningham 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.

Eric Young
Eric Young

The foregoing Verification was signed, acknowledged, and sworn to before me this 4th day of January 2024, by Eric Young.

Sanna Curtis
Commission expiration: 8-10-24
#KYNP 8930

Cunningham Water District
Case No. 2023-00323
Commission Staff's Second Request for Information

Witness: Eric Young

1. Refer to the response to Commission Staff's First Request for Information (Staff's First Request), Item 12. Confirm that Cunningham District is seeking to eliminate the Connection, Hook-Up, Reconnection Charges from its Tariff. If not, provide the current cost analysis for these charges.

Response: Yes, we wish to eliminate the Connection, Hook Up, and Reconnection Charges from the tariff. Under the existing operations contract there are no additional labor or transportation expenses when one of these services is performed.

2. Refer to the response to Staff's First Request, Item 1a, Cunningham District 2022 general ledger and Cunningham District's 2022 Annual Report.

Response: In preparing the response to this request, we realized that certain items were not categorized correctly in the General Ledger or the Annual Report. Therefore, we have re-entered all transactions with correct classifications as shown in the attached file: *CWD Revised 2022 General Ledger*.

a. Reconcile the difference between the test year amount of Chemicals expense reported in the 2022 Annual Report of \$4,610 and the total amount in the 2022 general ledger account 65175 Chemicals of \$3,397.

Response: The corrected Chemical Expense is \$3,590.51.

b. Reconcile the difference between the test year amount of Materials and Supplies expense reported in the 2022 Annual Report of \$22,767 and the total amount in the 2022 general ledger account 65040 Supplies of \$5,504.

Response: The corrected Materials and Supplies Expense is \$5,585.58.

c. Reconcile the difference between the test-year amount of Miscellaneous Expense reported in the 2022 Annual Report of \$5,087 and the total amount in the 2022 general ledger account 65100 Other Types of Expenses of \$ 655.

Response: The corrected Miscellaneous Expense is \$6,509.27.

d. Provide the accounts in the 2022 general ledger of the \$12,170 of Depreciation expense reported in the 2022 Annual Report.

Response: Depreciation expense is not included in our General Ledger. It is shown separately on the spreadsheet provided with the application.

3. Refer to the response to Staff's First Request, Item 9c, CWD1.9c_-_Contractor_Expenses.xlsx. Provide calculations, based on current contract rates, and pro forma amount for each contractor that is included in the \$22,520 total.

Response: The revised total for Contractual Services in 2022 is \$44,090 as listed below:

- Operator/Manager rate for Eric Young was \$1200/month through November, then raised to \$1400/month.
- Bookkeeping expense for Carissa Viniard in 2022 was \$600/month.
- Kelly Well Drilling for well pump replacement \$16,735.
- ITM Inc - testing master meter 225.
- Kevin Garrett - mowing \$720.
- Phil Hardy - portable building mover \$300.
- DW Excavating - backhoe contractor - \$4310.

4. Refer to response to Staff's First Request, Item 9c, CWD1.9c_-_Contractor_Expenses.xlsx. Cunningham District lists Rena Young as a contractor receiving \$3,600 in 2023. State the services that Rena Young provides.

Response: Rena Young began duties of bookkeeping and customer billing in July 2023 at \$600 per month.

5. Refer to the Application, 8_Disclosure_Statements.pdf, and the response to Staff's First Request, Item 9c, CWD1.9c_-_Contractor_Expenses.xlsx. In the Discourse Statement provided in the Application, Billy Viniard checked the box of having no related party transactions. In its response to Staff's First Request, Cunningham District listed Carissa Viniard as a contractor receiving \$2,400 in 2023. State the nature of the relationship between Billy Viniard and Carissa Viniard.

Response: Carissa Viniard is the spouse of Billy Viniard. She was performing duties of bookkeeping and customer billing the first 6 months of 2023. There are now no related parties to any board members that are used as contractors.

6. Refer to the Application, 9_Board_Resolution.pdf, and the response to Staff's First Request, Item 5, CWD1.5_-_Minutes_re_Officers.pdf. The provided Board Resolution in the Application shows Carissa Viniard as Secretary. The provided Board Minutes list Ray Crafton as being appointed to position of Secretary. Confirm who is the current Secretary for the Cunningham Water District Board of Directors.

Response: Ray Crafton holds the office of Secretary for the Board of Commissioners. Carissa Viniard was acting as office secretary.