

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|------------------------------------|---|------------|
| ELECTRONIC APPLICATION OF EDMONSON |) | CASE NO. |
| COUNTY WATER DISTRICT FOR A RATE |) | 2024-00219 |
| ADJUSTMENT PURSUANT 807 KAR 5:076 |) | |

RESPONSE OF EDMONSON COUNTY WATER DISTRICT
TO THE COMMISSION STAFF'S SECOND REQUEST FOR
INFORMATION DATED SEPTEMBER 23, 2024

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION


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| ELECTRONIC APPLICATION OF EDMONSON |) | CASE NO. |
| COUNTY WATER DISTRICT FOR A RATE |) | 2024-00219 |
| ADJUSTMENT PURSUANT 807 KAR 5:076 |) | |

VERIFICATION OF KEVIN SHAW

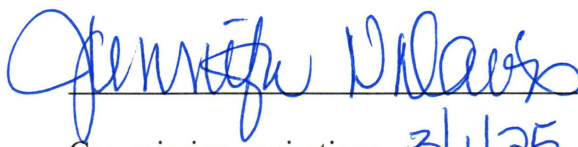
COMMONWEALTH OF KENTUCKY)
)
 COUNTY OF EDMONSON)

Kevin Shaw, General Manager of Edmonson 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.

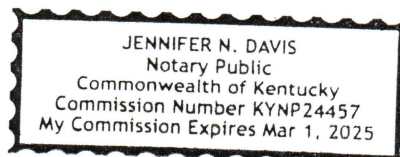


_____)
 Kevin Shaw

The foregoing Verification was signed, acknowledged and sworn to before me this 8th day of October, 2024, by Kevin Shaw.



_____)
 Commission expiration: 3/1/25



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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| ELECTRONIC APPLICATION OF EDMONSON |) | CASE NO. |
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VERIFICATION OF ROBERT K. MILLER

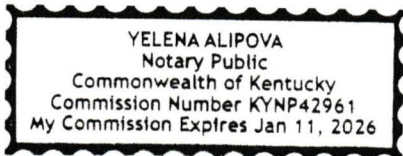
COMMONWEALTH OF KENTUCKY)
)
 COUNTY OF JEFFERSON)

Robert K. Miller, Kentucky Rural Water Association on behalf of Edmonson 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.

Robert K. Miller

Robert K. Miller

The foregoing Verification was signed, acknowledged and sworn to before me this 7th day of October, 2024, by Robert K. Miller.



Ys *As*

Commission expiration: January 11 2026

**Edmonson County Water District
Case No. 2024-00219
Commission Staff's Second Request for Information**

Witnesses: Kevin Shaw #1-3, 5-8, and 10
Robert K. Miller #4 and 9

1. Refer to Edmonson District's response to Commission Staff's First Request for Information (Staff's First Request), Item 1a, 1a_General_Ledger_2023.xls, rows 17,700 thru 17,761. Provide a copy of the invoices for the 12 transactions greater than \$1,000.

Response: Rows 17,700 thru 17,761 are Inventory Work Order Issued parts. When work orders are completed, and parts are placed in the ground, the inventory parts are taken out of inventory and issued to the correct General Ledger account number.

See file 1_WO_Issued_Inventory

2. Refer to Edmonson District's response to Staff's First Request, Item 1d, 1d_Water_Rate_Model_2024.xlsx, Wages Tab. Also refer to Edmonson District's response to Staff's First Request, Item 7, 7_Employee_Wages_and_Benefits.
 - a. Item 7, Employee 103 is stated as a part time employee, however in Item 1d, they are considered a full-time employee with 2,080 hours projected. Confirm if they are a full time or part time employee.

Response: Employee 103 had a full-time termination date of 05/31/24. As of 06/24/24, employee 103 came back to work as a part time employee. As of right now, employee 103 is a part time employee that was hired back to help temporarily with the employee shortage.

- b. In Item 7, Employees 119, 121, 122, 123, and 124 do not have a termination date; however, they are not included in the Item 1d calculation for pro forma wages. Confirm if any of them are employed with Edmonson District, if they need to be added to the calculation, or explain why they should not be included in the pro forma calculation.

Response: Employees 119, 121, 123 are full-time employees and need to be added to the calculation. Employees 122 and 124 are

part-time employees that were hired temporarily to help with the employee shortage.

- c. In Item 1d, Rows 17, 27, 34, and 35, the employees listed do not have an employee number, provide the employee number, and start date.

Response: Row 17 is Employee 0079 with a start date of 9/27/2017 and a termination date of 5/20/24. We have advertised to fill this position.

Row 27 is Employee 0101 with a start date of 10/3/2022 and a termination date of 4/24/24. During the time since the report was prepared, this employee has been replaced by Employee 0128 with a start date of 09/03/2024.

Row 34 is Employee 0119 with a start date of 5/13/2024.

Row 35 is Employee 0121 with a start date of 6/24/2024.

- d. In Item 1d, Rows 4 and 5. Explain why Employees 8 and 13 do not have any hours listed; if they are no longer employed, provide their termination date.

Response: Employee 8 retired as of 2/9/2024. Employee 13 retired as of 2/29/2024. However, they are still receiving accumulated vacation pay.

- e. In Item 1d, Column H, explain what 2023 Retropay is, how it is calculated, and paid out.

Response: On November 22, 2023, a Motion was made by the Board of Commissioners to pay \$500 per employee, \$125 per quarter of employment for the year 2023. Commission actions agreed payment would be paid out 12/12/2023.

See file: 2e_November_2023_Minutes

- f. In Item 1d, Cell I36, explain what Stand-by pay is, how it is calculated, and paid out.

Response: See file 2f_Standby_Duty_Policy

3. Refer to Edmonson District's response Staff's First Request, Item 6a, 6a_P_&_L_Insurance_Renewal.pdf. Also refer to Item 6b, Insurance_Invoices_Payments.xlsx. In Item 6a, the Expiring Premium is recorded as \$63,843; however, in Item 6b, the test year Liability and Property Insurance Invoices are \$61,726.41. Reconcile and explain the difference.

Response: Item 6a, 6a_P_&_L_Insurance_Renewal.pdf in the amount of \$63,842.58, is the correct amount for the policy year July 2023 through June 2024. Item 6b, Insurance_Invoices_Payments.xlsx in the amount of \$61,726.41, is the correct amount for the calendar fiscal year January 2023 through December 2023.

4. Refer to Edmonson District's response Staff's First Request, Item 7, 7_Employee_Wages_and_Benefits, Column L, 2023 Total Wages Paid. Also refer to Edmonson District's Response Staff's First Request, Item 9. In the response to Item 7, the total wages paid to employees during the test year is listed as \$1,432,455. However, in the response to Item 9, the Gross Test Year Wages was recorded as \$1,433,358. Reconcile and explain the difference in the two amounts.

Response: The amount for Gross Test Year Wages that was provided in the response to RFI #1, Item #9 (\$1,433,358) is the sum of Reported Test Year Wages, and the wages Charged to Tap Fees which was obtained from the District's records. The difference could be a slight discrepancy in either of those two figures or in the total shown in RFI #1, Item 7. Whichever it is, the difference of \$903 is immaterial. The proposed water rates are based on pro forma Salaries & Wages expense which is significantly higher than the test year expense.

5. Refer to Edmonson District's response Staff's First Request, Item 7, 7_Employee_Wages_and_Benefits. Identify and list which employee(s) performed work for both water and sewer divisions.

Response: Employees 0052, 0067, 0070 & 0086 performed work for both water and sewer divisions.

6. Refer to Edmonson District's response Staff's First Request, Item 14. Confirm the Board members for the Water Division also share responsibilities with the Sewer Division. If not confirmed, explain if the sewer division has its own board members, and if so, provide the names and appointment confirmation from the fiscal court.

Response: The Board Members for the Water Division also share responsibilities with the Sewer Division.

7. Refer to the Application, Attachment 4, References, Adjustment C. Also Edmonson District's response Staff's First Request, Item 13, 13_Commissioners_Wages_and_Benefits.xlsx. Adjustment C states the Board of Commissioners is five people, however, according to Item 13 there are only four active members. Explain who replaced Josh Brooks when his term expired August 24, 2024, if anyone.

**Response: Commissioner Josh Brooks was reappointed.
See file 7_Commissioner_Reappointment_Minutes**

8. Refer to Edmonson District's response to Staff's First Request, Item 14. In the responses, Edmonson District provided Fiscal Court minutes to support the appointment of the Commissioners. However, it did not supply fiscal court minutes supporting the authorization of compensation levels for the Commissioners. Provide Fiscal Court minutes that authorize each Board member's compensation.

Response: Edmonson District was unable to locate Fiscal Court minutes that authorized each Board member's compensation.

9. Refer to the Application, Exhibit 9, 09b KRWFC Loans.pdf, KRWFC 2013B. Also refer to Edmonson District's Response to Staff's First Request, Item 21. Debt Issuance KRWFC 2013B. In Case 2014-001752 the Commission authorized the issuance of KIA Bonds 2013A in the amount of \$504,000 and 2013B in the amount of \$160,000. However, the response lists the KRWFC Loan 2013B for \$1,960,000. Provide the Commission case number for the approval of the KRWFC 2013B loan.

Response: The correct Commission case number for the approval of the KRWFC 2013B loan is 2013-00042 issued on March 27, 2013.

See file 9_2013-00042

10. Provide proof of customer notice pursuant to 807 KAR 5:076, Section 5(3).

**Response: See files 10_Customer_and_Wholesale_Notice
10_HC_News_Herald_Customer_Notice
10_Edmonson_News_Customer_Notice**