

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**RE: ELECTRONIC TARIFF FILING OF THE CITY OF
AUGUSTA TO INCREASE THE WHOLESALE
WATER RATE CHARGED TO BRACKEN
COUNTY WATER DISTRICT**

**INTERVENOR, BRACKEN COUNTY WATER DISTRICT'S (BCWD'S) SUPPLEMENTAL
RESPONSE TO SECOND SET OF QUESTIONS TO IT FROM CITY OF AUGUSTA**

CASE NUMBER 2024-00349

Comes now the intervening party, Bracken County Water District, ("BCWD"), by and through counsel, Mr. Jesse P. Melcher, Esq., with verification of vice-chairman, Rick King, and hereby files its supplemental Responses to the 2nd set of questions from the City of Augusta herein, due to information provided for the following questions and sub-questions being in error, and BCWD having found the error corrects the answers as follows:

1. Refer to February 3, 1988 Contract for Water Services between Brooksville Green Apartments and Bracken County Water District No. 1, as filed with the Kentucky Public Service Commission (the "Brooksville Apartments Contract").
 - a. Identify the current rates charged by Bracken County pursuant to the Brooksville Apartments Contract.

Answer: BCWD objects to the question on the grounds of relevancy; KRE 104 and 401. This matter involves a wholesale water rate increase request of City of Augusta; and BCWD's current contractual agreements and monthly rates are not a factor in this current rate case calculation.

BCWD without waiving its objection and to answer in good-faith states it is unaware of any executed amendments to the contract, but would state that the contract as noted by the City of Augusta were in effect at the time of requested rate increases to KY PSC. The modifications to the rate to the Brooksville Contract would be the KY PSC approved alternative rate filings, in KY PSC cases and Orders for Case No's 2010-00184 (approving \$3.44 per 1000 gallons wholesale rate); 2012-00008 (approving \$3.69 per 1000 gallons wholesale rate; 2016-00172 (approving \$3.79 per 1000 gallons wholesale rate); 2021-00228 (approving \$4.06 per 1000 gallon wholesale rate) and 2021-00415 (approving \$4.44 in first phase and \$4.82 in second phase per 1000 gallons) for wholesale rates, respectively.

In review of the account, the amount charged on this account, is not consistent with usage and/or consistent with the approved wholesale rates to be charged for wholesale customers, and is being reviewed and adjusted, as it appears there was an error in billing for this account.

The amounts charged for the purchased water is shown in the attached Attachment-"1", which is fully incorporated herein.

- b. Identify the amount of water sold by Bracken County to the Brooksville Apartments Contract in calendar years 2022 – 2025.

Answer: BCWD objects to the question on the grounds of relevancy; KRE 104 and 401. This matter involves a wholesale water rate increase request of City of Augusta; and BCWD's current contractual agreements and monthly rates are not a factor in this current rate case calculation.

BCWD without waiving its objection and to answer in good-faith states that it has attached a supplemental exhibit of the requested information. The total gallons sold and the total costs billed for the years 2022, 2023, 2024, and Jan-May 2025, are provided in the attached supplementation to the BCWD water numbers, identified herein as Attachment-"1", which is fully incorporated herein.

- c. Identify the amount of water sold by Bracken County to the Brooksville Green Apartments in calendar years 2022 – 2025 that Bracken County originally purchased from the City of Augusta.

Answer: BCWD objects to the question on the grounds of relevancy; KRE 104 and 401. This matter involves a wholesale water rate increase request of City of Augusta; and BCWD's current operating income and/or profit ratio per wholesale provider, is not a factor in this current rate case calculation.

However, without waiving the asserted and stated objection, BCWD answers in good-faith that it employs a CPA (Mrs. Marsha Jones of Anderson Jones, CPA, (located in Maysville, Kentucky) to review monthly reports and prepare financial accountings and said reports are reviewed, adjusted and approved by audit of Kelly, Galloway, Smith and Goolsby, PSC, located in Ashland, Kentucky. The requested mathematical computation is not a computation that BCWD computes, and would require speculation, KRE 602.

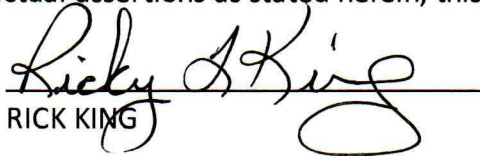
- d. For calendar years 2022 – 2025, identify the gross amount of profit made by Bracken County by reselling water originally purchased from the City of Augusta pursuant to the Brooksville Green Apartments.

Answer: Answer: BCWD objects to the question on the grounds of relevancy; KRE 104 and 401. This matter involves a wholesale water rate increase request of City of Augusta; and BCWD's current operating income and/or profit ratio per wholesale provider, is not a factor in this current rate case calculation.

However, without waiving the asserted and stated objection, BCWD answers in good-faith that it employs a CPA (Mrs. Marsha Jones of Anderson Jones, CPA, (located in Maysville, Kentucky) to review monthly reports and prepare financial accountings and said reports are reviewed, adjusted and approved by audit of Kelly, Galloway, Smith and Goolsby, PSC, located in Ashland, Kentucky. The requested mathematical computation is not a computation that BCWD computes. Any request to compute would require BCWD to speculate, as BCWD buys water from two (2) water sources at different wholesale water prices, and has other revenues outside of sold water, such as meter sales, late fees, etc, and incorporates some of its profits into deferred expenses and/or debt reserve for future expenses.

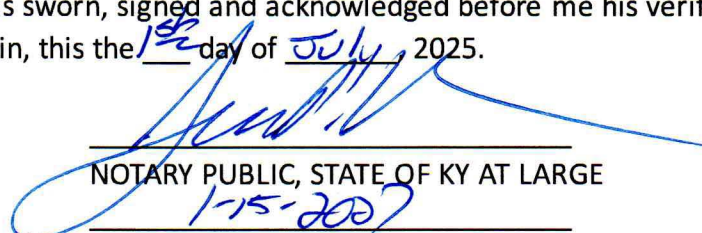
VERIFICATION

I, Rick King, being the vice-chairman of Bracken County Water District, Inc., do hereby state that I am the licensed operator, as licensed with the Division of Water that supervises the distribution operations of the Bracken County Water District, and executes the monthly operations reports (MOR'S) for Bracken County Water District and state that I have read all answers and agree with all factual assertions as stated herein, this the 25th day of June, 2024.


RICK KING

COMMONWEALTH OF KENTUCKY
COUNTY OF ROBERTSON

I, Jesse P. Melcher, being a Notary Public in the State of Kentucky-At-Large, do hereby state that Rick King, has sworn, signed and acknowledged before me his verification of the factual assertions herein, this the 1st day of July, 2025.


NOTARY PUBLIC, STATE OF KY AT LARGE
1-15-2007
MY COMMISSION EXPIRES:
12/16/2026
NOTARY ID:

Respectfully submitted,

/s/ JESSE P. MELCHER, ESQ.
BRACKEN COUNTY WATER DISTRICT,
ATTORNEY
JESSE MELCHER LAW OFFICE, PLLC
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CERTIFICATE OF SERVICE

I, Jesse P. Melcher, Esq. as counsel and representative of BCWD herein, do hereby certify that I have mailed out by electronic filing through the KY PSC web portal, pursuant to 807 KAR 5:001(8), this the 1st day of July, 2025; and that no party herein, has opted out of the electronic notice and/or filing herein, and proof of electronic filing and courtesy copy are as follows, of BCWD's responses to City of Augusta's 2nd set of questions:

KY PSC, filed by web portal in this case number

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/s/ MR. JESSE P. MELCHER, ESQ.