

EAST CLARK COUNTY WATER DISTRICT
CASE NO. 2026-00205 RESPONSE TO COMMISSION
STAFF'S INITIAL REQUEST FOR INFORMATION

1. Provide copies of each of the following, and when appropriate, provide in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected. Employee names should be redacted from all documents.

a. The general ledger in Excel spreadsheet format with all transactions for each of the years ended December 31, 2025, and year to date July 31, 2026.

Response: See the attached files titled:

1_a_2025_General_Ledger.xlsx

1_a_2026_General_Ledger_YTD_2026.xlsx

Witness: William Ballard

b. The trial balance in Excel spreadsheet format for each of the years ended December 31, 2025, and year-to-date July 31, 2026.

Response: See the attached files titled:

1_b_2025_Trial_Balance.xlsx

1_b_2026_Trial_Balance_YTD_2026.xlsx

Witness: William Ballard

c. Provide a cross reference that matches each test year general ledger account to each revenue and expense line that is reported in the Schedule of Adjusted Operations (SAO) and reconcile each amount that does not match.

Response: See the attached files titled,

1_c_2025_SOA_cross_reference_to_audited_trial_balance.xlsx

Witness: William Ballard

2. State whether East Clark District uses an integrated software program for billing and general-ledger functions. If yes, provide the following information for the integrated program. If no, provide the following information separately for each billing and general-ledger program:

a. Brand or common name for software.

Response: Yes. East Clark uses Ampstun Billing program, and Sage financial software.

Witness: William Ballard

b. Whether the software is locally installed on a utility-owned computer or is an internet-based subscription service.

Response: Both software programs are Internet-based

Witness: William Ballard

c. If locally installed, state the installation date.

Response: The software is stored on Ampston's servers.

Witness: William Ballard

d. Whether the software is still serviced by the manufacturer and whether East Clark District maintains a service contract.

Response: East Clark Water District maintains current contract with each software vendor.

Witness: William Ballard

3. Refer to Application, SAO and Attachment_12_ECCWD_Rate_Study, ExBA Tab. For Miscellaneous Service Revenues of \$43,012, state whether the Miscellaneous Income component of \$7,398.45 will recur.

Response: The amount is a refund from KACO and will not recur.

Witness: William Ballard

4. Provide a complete description of each employee benefit, paid to or on behalf of each employee for the calendar year 2025. Supplemental coverage for which the employee pays 100 percent of the cost should also be included. Employee names should be redacted from all documents.

a. Provide a copy of one invoice for 2025 for each employee benefit described above.

Response: See the attached file titled, 4_a_Insurance_Invoice.pdf

Witness: William Ballard

b. Provide a copy of one invoice for 2026 for each employee benefit described above.

Response: See the attached file titled, 4_a_Insurance_Invoice.pdf

Witness: William Ballard

5. Provide most recent invoices for general liability, workers' compensation, automobile, property, and casualty for 2025, and 2026.

Response: See the attached file titled, 5_workers_comp_and_liability.pdf

Witness: William Ballard

6. Refer to SAO – Purchased Water expenses.

a. Provide the gallons purchased and cost, by month for the entire year, for each supplier, and in total, for calendar year 2025.

Response: See the attached files titled,

6_a_Analysis_of_Water_Purchase_expense_to_gallons_purchased_2025.xlsx

Witness: William Ballard

b. Reconcile reported gallons purchased in the test year annual report water statistics and the purchased water expense reported in the test year.

**Response: See the attached files titled,
6_a_Analysis_of_Water_Purchase_expense_to_gallons_purchased_2025.xlsx**

Witness: William Ballard

7. Provide the minutes from East Clark District's Board of Commissioner meetings for the calendar years 2024, 2025, and 2026 to date. Consider this a continuing request through the date of issuance of Commission Staff's Report.

a. Designate each action that authorizes hiring.

Response: See the attached files titled:

7_a_Minutes_2024.pdf

7_a_Minutes_2025.pdf

7_a_Minutes_2026.pdf

Witness: William Ballard

b. Designate each action that authorizes employee compensation, including adjustments to wage rates, wage increases, bonuses, or any other compensation or fringe benefit actions.

Response: The board determines compensation increases annually at the November board meeting.

.Witness: William Ballard

8. Provide a list of each commissioner who served East Clark District during the calendar years 2024, 2025, and 2026 and state, individually, the total amount of each benefit paid to, or on the behalf of, each director during each year (i.e., wages, health

insurance premiums, life insurance premiums, FICA taxes, etc.), their term (beginning and ending), and current authorized annual compensation.

a. Provide documentation from the Fiscal Court that authorizes each commissioner's appointment and compensation.

Response: See the attached files titled:

8_a_Commission_Appointments -Pay.pdf

8_a_Commissioners_terms_and_compensation_2024-2026.xlsx

Witness: William Ballard

b. Provide training records for each commissioner for 2024, 2025, and 2026 or a statement that the individual has not attended training.

Response: See the attached files titled:

8_b_Training-2024.pdf

8_b_Training-2025.pdf

8_b_Training-2026.pdf

Witness: William Ballard

9. Provide the following with respect to new tap installations.

a. Number of installations during the test year.

Response: 23 new meters

Witness: William Ballard

b. State whether labor costs were capitalized and, if so, provide the total amount and designate the line in the fixed assets listing that reflects the capitalization.

Response: Capitalized. See the attached file titled,

9_b_Tap-on_Worksheet_2025.xlsx.

The last asset listed in the fixed asset schedule is labeled 2025 Meter Tap-on.

Witness: William Ballard

c. State whether material costs were capitalized and, if so, provide the

total amount and designate the line in the fixed assets listing that reflects the capitalization.

Response: Material costs were capitalized. See the attached file titled, 9_b_Tap-on_Worksheet_2025.xlsx. The last asset listed in the fixed asset schedule is labeled 2025 Meter Tap-on.

Witness: William Ballard

10. Refer to East Clark District's Tariff, PSC Ky. No. 2, Original Sheet No. 18, Bill Adjustments.

a. Provide the date that East Clark District's billing cycle begins (meter read date).

Response: East Clark Water District reads meters between the eighteenth and twenty-first each month

Witness: William Ballard

b. State 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 that affect rates in this case.

Response: Yes, these dates would be best effective date.

Witness: William Ballard

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

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

Response: The District considered the benefits of performing a COSS when contracting with KRWA to assist with current application. A COSS would provide very limited benefit to the District and the current application.

Witness: William Ballard

b. Explain whether any material changes to East Clark District's system would cause a new COSS to be prepared since the last time it completed one.

Response: The District has not experienced material changes to its operations that would necessitate the preparation of a COSS.

Witness: William Ballard

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

Response: The District does not anticipate needing to complete a COSS, in the near future.

Witness: William Ballard

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

Response: The current staff has no knowledge of a COSS being performed for East Clark's system.

Witness: William Ballard

12. Refer to the Application, SAO, and the Current Billing Analysis, Attachment_12_ECCWD_Rate_Study.xlsx, Tab ExBA, Cells P12 through R12.

a. Provide the number of occurrences for each nonrecurring charge in Other Water Revenues and for any non-recurring charge listed as zero, include that

charge and indicate that no revenue was recorded. Include the general ledger account numbers where each nonrecurring charge is recorded.

Response: See the attached file titled, 12_a_NONRECURRING_CHARGES-2025.XLSX

Witness: William Ballard

b. State whether each nonrecurring charge will recur.

Response: Yes, they are likely to recur.

Witness: William Ballard

c. Provide the 6/11 source e-mail from the accountant employed by East Clark District.

Response: See the attached files titled, 12_c_June_11_email.pdf and 12_C_June_email_attachment_Sam_Reid_rate_study.pdf

Witness: William Ballard

d. Provide the number of occurrences and dollar amounts for late fees that were recorded during the calendar years 2025.

Response: See the attached file titled, 12_d_late_fees.pdf

Witness: William Ballard

13. Provide updated cost justification sheets to support each non-recurring charge listed in East Clark District's tariff.

Response: See the Attached files titled:

13_NRCCharge_Worksheet.xlsx

13_After_Hours_Connection-Turn_On,Field_Collection,Reread_Service_Call.pdf

13_Connection-Meter_Test,_Reconnection_Charge.pdf

13_Connection-Turn_On,Field_Collection,Reread,Service_Call.pdf

13_Returned_Check.pdf

Witness: William Ballard

14. Provide updated cost justification sheets to support each Meter Connection/Tap-on Charge listed in East Clark District's tariff.

Response: See the Attached file titled, 14_Tap_fee_2026.pdf

Witness: William Ballard

15. Refer to Application, Attachment_1_6_ECCWD_List_of_attachments.pdf, Attachment #4, Schedule of Adjusted Operations, Adjustment H and Reference H. The SAO reflects an annual rate case amortization expense of \$3,333, while Reference H reflects an annual amortization expense of \$3,112. Explain and reconcile the difference between the amortization of rate case expense in the SAO and in the References.

Response: The adjustment in the SAO is correct, the three-year amortization of the KRWA proposal of \$10,000 is \$3,333. Reference H used a misstated contracted amount.

Witness: William Ballard

16. Refer to Application, SAO, Adjustment H. Provide the following information regarding the proposed rate case amortization expense.

a. State whether the amount is a fixed amount or what would cause the stated amount to increase or decrease, respectively.

Response: The amount is not fixed. The contracted amount with KRWA is for the work set out in the agreement. Based on the typical preparing and processing an ARF application with the PSC. ECCWD did not request recovery of additional rate case expense in the application. The processing of the rate application will determine the total cost incurred by the utility. Additional requirements by the PSC may create additional expenses. For example, the required public notice cost ECCWD approximately \$1,400 to comply with the regulations.

Witness: William Ballard

b. Provide a copy of the quote for the preparation of the rate case.

Response: See the attached file titled 16_b_Signed_KRWA_proposal.pdf

Witness: William Ballard

- c. Provide a copy of all invoices associated with Rate Case Expense.

Consider this an ongoing request.

Response: The District has not received an invoice from KRWA. See the attached invoice for the required newspaper public notice titled, 16_c_advertising_invoice.pdf.

Witness: William Ballard

- d. Confirm that the anticipated rate case expense will be paid by East Clark District and not paid for by a third party, i.e. grant funding. If not confirmed, provide the source of funding, describe the agreement facilitating the third-party funding, and provide any preliminary and final written agreements reflecting the third-part funding.

Response: Confirmed

Witness: William Ballard

- 17. Refer to Application, Attachment 7, Rate Study, Depreciation.

- a. Provide a depreciation schedule, in Excel spreadsheet format, with all formulas, rows, and columns fully accessible and unprotected, with clearly labeled columns identifying, at a minimum, the asset description, original cost, in service (depreciation start) date, service life, depreciation method, beginning accumulated depreciation, current year depreciation expense, ending accumulated depreciation, and net book value for each asset.

Response: See the Attached file titled, 17_a_2025_Depreciation.xls

Witness: William Ballard

- b. Reconcile the total original cost and accumulated depreciation

reported in the depreciation schedule to the corresponding plant cost and accumulated depreciation balances reported in the 2025 Annual Report. Identify and explain any differences.

**Response: See the Attached file titled,
17_b_Reconciliation_of_2025_Original_Cost_and_Depreciation.xlsx**

Witness: William Ballard

18. Refer to Application, Attachment 4, Table A, and Attachment_7_2025_ECCWD_Rate_Study.xlsx, Sorted tab. Provide an explanation for the proposed fifteen-year service life for the water meters. Include in this explanation, any engineering reports, testing reports, or technical specifications that support the proposed fifteen-year service life for each water meter model and brand.

Response: See the attached file titled 18_Warranty.pdf. The warranty terms from the Meter Manufacturer provides a twenty-year prorated warranty. The District's experience has seen that these meters battery life varies. The advanced technology used in these meters provides many benefits to the District. The Neptune products were chosen by the District after extensive research to best serve our customers. The District believes using fifteen years for the service life of these meters is a reasonable approach given the prorated warranty and experience of the District's Staff.

The District also notes that it intends to continue to take advantage of new meter technologies that continue to evolve and provide improved service to customers. Including downloadable data meters, to help customers to see when usage occurred at their location.

Witness: William Ballard

19. Refer to Application, Attachment 5, Current Billing Analysis with 2025 Usage & Existing Rates. East Clark District stated that no customers are served by 3inch and 4-inch meters. State whether East Clark District requests that the 3-inch and 4inch meter

rates be removed from its tariff or whether East Clark District expects to serve customers through those meter sizes in the foreseeable future.

Response: East Clark's service territory creates the potential for larger use customers. East Clark will keep these rates in our tariff.

Witness: William Ballard

20. State whether East Clark District granted any leak adjustments during the test year. If so, provide the total dollar amount and the number of occurrences for each leak adjustment recorded during the test year.

Response: East Clark Water does not grant any leak adjustments.

Witness: William Ballard

21. Refer to Application, Attachment 4, Table A, Depreciation Expense Adjustments and Attachment_7_2025_ECCWD_Rate_Study_depreciation, sorted tab. Attachment 7, line item 112, identifies "NAC HEAVY HIGHWAYS 11/27/7 (PUMP)", with an original cost of \$117,150 and current year depreciation expense of \$5,857.50. The original cost is not separately identifiable in Table A. Identify the asset class in Table A in which this asset is included and reconcile the \$117,150 original cost and related depreciation expense to the amounts presented in Table A.

Response: Table A referenced in the question is a PDF file version of an excel file also provided in the application. See Application, Attachment 12 ECCWD Rate Study.xlsx, Tab Depreciation.

Line 29 of the excel schedule was compressed and does not appear in the PDF version of Table A. The item in question is labeled Pump Equipment under the Transmission & Distribution Plant category on line 29 of the excel schedule.

Witness: William Ballard

