

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF MONROE)
COUNTY WATER DISTRICT FOR APPROVAL) CASE NO.
OF CERTAIN ACCOUNTING ADJUSTMENTS) 2017-00173

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO
MONROE COUNTY WATER DISTRICT

Monroe County Water District ("Monroe County"), pursuant to 807 KAR 5:001, is to file with the Commission the original with five copies in paper medium and an electronic version of the following information. The information requested herein is due within 14 days of this request. Responses to requests for information in paper medium shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Monroe County shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

Monroe County fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Monroe County shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.


1. Refer to the Uniform System of Accounts for Class A/B Water Districts and Water Associations ("USoA"), Accounting Instruction 173, Accrued Utility Revenues, which states: "At the option of the utility, with approval of the Commission, the estimated amount accrued for service rendered, but not billed at the end of any accounting period, may be included herein. In case accruals are made for unbilled revenues, they shall be made likewise for unbilled expenses, such as for the purchase of energy."¹

a. Explain why Monroe County did not include proposed accruals for unbilled expenses in its application; and

b. State all factors relied upon by Monroe District as its basis for exercising its discretion in favor of pursuing this option.

¹ Kentucky Public Service Commission, *Uniform System of Accounts for Class A/B Water Districts and Associations* (2002) at 53.

2. Refer to the USoA, Accounting Instruction 439(A), Adjustments to Retained Earnings, which states: "This account shall include significant nonrecurring transactions relating to prior periods."² Explain why Monroe County believes the proposed accounting adjustments are significant.



John S. Lyons
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Public Service Commission
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DATED AUG 04 2017

cc: Parties of Record

² *Id.* at 89.

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