

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF OHIO COUNTY)	CASE NO.
WATER DISTRICT FOR AN ALTERNATIVE RATE)	2020-00167
ADJUSTMENT)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
TO OHIO COUNTY WATER DISTRICT

Ohio County Water District (Ohio District), pursuant to 807 KAR 5:001, is to file with the Commission the following information within 14 days of the date of this request. Pursuant to the Commission's Orders in Case No. 2020-00085,¹ issued March 16, 2020, and March 24, 2020, Ohio District SHALL NOT FILE the original paper copy of all requested information at this time, but rather shall file original paper copies within 30 days of the lifting of the current state of emergency.² All responses 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

² Any electronic email filed in this matter should be sent to PSCED@ky.gov, and each message should include the case number in the subject line of the message and a read receipt to ensure the Commission received the message and documents.

that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Ohio District shall make timely amendment to any prior response if Ohio District 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 Ohio District fails or refuses to furnish all or part of the requested information, Ohio District 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, Ohio District shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Provide copies of each of the following. When appropriate, provide in Excel spreadsheet format with all formulas intact and unprotected and all rows and columns fully accessible:

a. General ledger and trial balance for the calendar years 2018, 2019, and 2020 to date;

b. Canceled checks, bank statements, and bank reconciliations for all bank accounts for 2018;

- c. Schedule of notes and bonds payable on December 31, 2018; December 31, 2019; and the current period;
- d. All debt agreements/bond ordinances and amortization schedules, including related party debt;
- e. Monthly billing registers for the calendar year 2018;
- f. Insurance policies for 2018 and 2019 and the current period, if available;
- g. Vendor statements and invoices for 2018;
- h. Payroll and related tax information for the calendar year 2018 and supporting time records;
- i. A document listing the names, job titles, job description, and pay rates for each employee on December 31, 2015; December 31, 2016; December 31, 2017; December 31, 2018; December 31, 2019; and for those currently employed;
- j. List and describe all employee benefits, other than salaries and wages, paid to, or on behalf of, each employee for each of the previous five years;
- k. Minutes from Ohio District Commissioner meetings for the calendar years 2018, 2019, and the current period;
- l. A document listing the name of all Commissioners for each of the five previous years, and state, individually, the total amount of each benefit paid to, or on the behalf of, each Commissioner during each year (i.e., wages, health insurance premiums, life insurance premiums, FICA taxes, etc.); and
- m. Fiscal Court minutes approving each Commissioner's compensation.

2. Provide a copy of the Adjusted Trial Balance showing unaudited account balances, audit adjustments, and audited balances for the calendar year ended 2018 in Excel spreadsheet format with all formulas intact and unprotected and all rows and columns fully accessible.

3. Refer to Ohio District's application, Exhibit B, Current and Proposed Rates. Ohio District proposes to raise its monthly water rates by an across the board percentage amount.

a. Provide an explanation of how the across-the-board percentage increase method to increase monthly water rates was chosen.

b. Provide a list of alternative methods to increase its monthly water rates Ohio District considered and an explanation why each alternative was not chosen.

c. Provide an explanation why Ohio District has not proposed to include an increase to its volumetric Leak Adjustment Rate.

4. Refer to the application, Exhibit H. Provide the amortization schedule for the Series 2015 Bonds in addition to the supplied sinking fund schedule.

a. Provide audit adjustments with detailed explanations for each adjustment.

b. Provide audit workpapers for long-term debts.

c. Provide audit workpapers for accounts receivable, allowance for doubtful accounts, and bad debt expense.

d. Provide the schedule of utility plant in service and related depreciation in the most detailed format available.

5. Refer to Ohio District's application, Exhibit E, Billing Analysis.

a. Provide the source of the 2018 usage data presented in the Billing Analysis and state whether any adjustments were made to the data.

b. Provide a list of any adjustments made to the data and include an explanation of each adjustment.

c. Provide a detailed breakdown of the items that are included in the Net Billing Adjustments amount of (\$76,097) in the Summary section. Include a description of each adjustment and the method in which the amount of each adjustment was determined.

d. Provide a detailed breakdown of the items that are included in the Billing Adjustments amount of (\$2,852) in the Wholesale Sales section. Include a description of each adjustment and the method in which the amount of each adjustment was determined.

6. Refer to Ohio District's 2018 annual report, page 57. Line 12, Other Sales, is listed as 16,593,000 gallons sold. Provide an explanation of the sales in this category. Include in the explanation the type of customers served and the rate these customers were charged.

7. Refer to Ohio District's 2018 annual report, page 57. Line 21, Total Other Water Used, is listed as 206,090,000 gallons, which equates to 24.86 percent of the water produced by Ohio District.³

a. Provide a detailed explanation how the amounts were determined for each of the categories listed as Other Water Used.

³ 2018 Annual Report, page 57, line 21 divided by line 4.

b. Provide copies of all documents relied upon to support the amounts of water usage for each of the categories listed as Other Water Used.

c. In the event that any of the usage is estimated, provide the basis for the amount of the estimate.



Kent A. Chandler
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Public Service Commission
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DATED JUN 29 2020

cc: Parties of Record

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