

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF NORTH)	CASE NO.
MCLEAN COUNTY WATER DISTRICT FOR AN)	2020-00238
ALTERNATIVE RATE ADJUSTMENT)	

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

North McLean County Water District (North McLean District), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version 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, North McLean 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. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

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

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.

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.

North McLean District shall make timely amendment to any prior response if North McLean District obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which North McLean District fails or refuses to furnish all or part of the requested information, North McLean 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, North McLean 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, and when appropriate, provide in Excel spreadsheet format with all formulas intact and unprotected and all rows and columns fully accessible:

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

- b. The trial balance for the calendar years 2018, 2019, and 2020 to date;
- c. The 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. Insurance policies for 2018 and 2019 and the current period, if available;
- f. Hours worked by each employee for the calendar year 2019;
- g. A document listing the names, job titles, job description, and pay rates for each employee on December 31, 2017, December 31, 2018, December 31, 2019, and for those currently employed;
- h. A list that describes all employee benefits, other than salaries and wages, paid to, or on behalf of, each employee for each of the previous five years;
- i. Minutes from North McLean District Commissioner meetings for the calendar years 2018, 2019, and the current period;
- j. 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
- k. Fiscal Court minutes approving each Commissioner's appointment and compensation.

2. Provide a copy of the Adjusted Trial Balance showing unaudited account balances, audit adjustments, and audited balances for the calendar year ended 2019 in Excel spreadsheet format with all formulas intact and unprotected and all rows and columns fully accessible.

3. Refer to North McLean District's application, Attachment 3, Current and Proposed Rates. North McLean District proposes to raise its monthly water service 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 service rates was chosen.

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

4. State when the last time North McLean District performed a cost of service study (COSS) to review the appropriateness of its current rates and rate design.

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

b. If there has been no material changes to the North McLean District's system, explain when North McLean District anticipates completing a new COSS.

c. Provide in Excel spreadsheet format a copy of the most recent COSS that has been performed for North McLean District's system.

5. Refer to North McLean District's 2019 Annual Report, page 57, line 4, Total Water Produced and Purchased. The total water produced and purchased is 119,183

gallons. Also, refer to page 52, Pumping and Water Statistics- part one, which states the total as 123,380 gallons. Reconcile these two and provide the correct Total Produced and Purchased gallons.



Kent A. Chandler
Acting Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED AUG 20 2020

cc: Parties of Record

*North McLean County Water District
217 Hill Street
P. O. Box 68
Livermore, KY 42352

*Keith Ayer
North McLean County Water District
217 Hill Street
P. O. Box 68
Livermore, KY 42352

*Tiffany Sallee
North McLean County Water District
217 Hill Street
P. O. Box 68
Livermore, KY 42352