

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF GARRISON-QUINCY-KY-O-HEIGHTS WATER DISTRICT FOR A RATE ADJUSTMENT PURSUANT TO 807 KAR 5:076)	CASE NO.
)	2021-00094
)	
)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO GARRISON-QUINCY-KY-O-HEIGHTS WATER DISTRICT

Garrison-Quincy-Ky-O-Heights Water District (Garrison District), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due on April 22, 2021. Pursuant to the Commission's Orders in Case No. 2020-00085,¹ issued March 16, 2020, and March 24, 2020, Garrison 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.

Garrison District shall make timely amendment to any prior response if Garrison 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 Garrison District fails or refuses to furnish all or part of the requested information, Garrison 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, Garrison 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 the general ledgers for Garrison District's water division for calendar years 2019 and 2020. The general ledger shall include all check registers and spreadsheets used to record and track financial transactions. If available, provide a copy of the requested general ledgers in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

2. Provide copies of the general ledgers for Garrison District's sewer division for calendar years 2019 and 2020. The general ledger shall include all check registers and spreadsheets used to record and track financial transactions. If available, provide a copy of the requested general ledgers in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

3. Provide copies of the Adjusted Trial Balance for Garrison District's water division showing unaudited account balances, audit adjustments, and audited balances for the calendar years ended 2019 and 2020. The trial balances shall be traced and referenced directly to the general ledgers requested in Item 1.

4. Provide copies of the Adjusted Trial Balance for Garrison District's sewer division showing unaudited account balances, audit adjustments, and audited balances for the calendar years ended 2019 and 2020. The trial balances shall be traced and referenced directly to the general ledgers requested in Item 2.

5. a. Provide copies of Garrison District's General Liability Insurance, Workers' Compensation Insurance and Automobile Insurance policies for 2019 and 2020.

b. Provide copies of the invoices (bills) received in 2019 and 2020 for the insurance policies identified in Item 5.a.

6. Provide the minutes from Garrison District's commissioner meetings for the calendar years 2019, 2020, and the current period.

7. Provide 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.).

8. Provide the fiscal Court minutes approving each commissioner's appointment and compensation.

9. Refer to the Application, Attachment 4. Provide the workpapers for the pro forma adjustments described in the References page of the Attachment in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

10. Using a table format, provide the following information for each employee identified by employee number and job title: job description, date hired, date terminated (if applicable), and pay rates for each employee at December 31 for each calendar year from 2016 through 2020. Provide the requested tables in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

11. Using a table format, provide the wage increases in dollars and percentages given to each employee identified in Garrison District's response to Item 10 for the calendar years 2016 through 2020. Provide the requested tables in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

12. Using a table format, provide the regular hours and overtime hours for each employee identified in Garrison District's response to Item 10 for the calendar years 2016 through 2020. Provide the requested tables in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

13. Using a table format, provide the following actual full-year salary information for each employee listed in Item 10 above, identified by employee number and job title, for the calendar years 2016 through 2020 (in gross dollars—not hourly or monthly rates). The employee salary information for each year shall be provided in a separate table.

Provide the requested tables in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

- a. Regular salary or pay.
- b. Overtime pay.
- c. Vacation payout.
- d. Standby/Dispatch pay.
- e. Bonus pay.
- f. Other amounts paid and reported on the employees' W-2 (specify).

14. Using a table format, provide the following actual full-year benefit information for each employee listed in Item 10 above, identified by employee number and job title, for the calendar years 2016 through 2020. The employee's benefit information for each year shall be provided in a separate table. Provide the requested tables in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

- a. Health care benefit cost for each employee.
 - (1) Amount paid by Garrison District.
 - (2) Amount paid by each employee.
- b. Dental benefits cost for each employee.
 - (1) Amount paid by Garrison District.
 - (2) Amount paid by each employee.
- c. Vision benefits cost for each employee.
 - (1) Amount paid by Garrison District.
 - (2) Amount paid by each employee.

- d. Life insurance cost for each employee.
 - (1) Amount paid by Garrison District.
 - (2) Amount paid by each employee.
- e. Accidental death and disability benefits for each employee.
 - (1) Amount paid by Garrison District.
 - (2) Amount paid by each employee.
- f. Defined Contribution - 401(k) or similar plan cost for each employee.

Provide the amount paid by Garrison District.

- g. Defined Benefit Retirement cost for each employee.
 - (1) Amount paid by Garrison District.
 - (2) Amount paid by each employee.
- h. Cost of any other benefit available to an employee (specify).

15. For each employee listed in Item 10 above, describe how Garrison District allocated their payroll and payroll overhead charges between the sewer and water divisions in calendar year 2019. This response shall include a detailed explanation of all allocation procedures. Payroll overhead charges include payroll taxes, health insurance premiums, pension costs, and any other employee benefit costs.

16. Provide a listing of all health care plan categories available to Garrison District's employees, i.e., single, married no dependents, single parent with dependents, family, etc. For each employee listed in Item 14 above, identify the type of health insurance coverage the employees are provided.

17. Identify the number of new water connections that Garrison District installed in calendar year 2019.

18. Identify the number of new sewer connections that Garrison District installed in calendar year 2019.

19. Refer to the Application, Attachment 4, References B. Provide a detailed explanation as to why Garrison District reported the collection of tap-on fees as operating revenues from water sales.

20. Provide copies of the cost justification sheets Garrison District filed with the Commission to support its \$600 Tap-on Fee for its water division.

21. Provide copies of the cost justification sheets Garrison District filed with the Commission to support its \$600 Residential and Commercial/Industrial Tap-on Fees for its sewer division.

22. Refer to the tariff currently on file with the Commission for Garrison District's water division. Provide copies of the cost justification sheets Garrison District filed with the Commission to support each nonrecurring charge listed in the table below.

a.	Late Payment Penalty		10%
b.	Re-Connection Charge	\$	30
c.	Re-Connection Charge (After Hours)	\$	40
d.	Seasonal Re-Connection Charge	\$	30

23. Separately identify the number of Re-Connection Charges, Re-Connection Charges (After Hours), and Seasonal Re-Connection Charges billed by the Garrison District water division in the calendar year 2019 and the total dollar amount the water division collected for each listed Re-Connection Charge.

24. Provide a schedule listing each late payment penalty the Garrison District water division billed and collected in the calendar year 2019.

25. Refer to the tariff currently on file with the Commission for Garrison District's sewer division. Provide copies of the cost justification sheets Garrison District filed with the Commission to support each nonrecurring charge listed in the table below.

a.	Late Payment Penalty		10%
b.	Re-Connection Charge	\$	30
c.	Re-Connection Charge (After Hours)	\$	40

26. Separately identify the number of Re-Connection Charges, Re-Connection Charges (After Hours), and Seasonal Re-Connection Charges billed by the Garrison District sewer division in the calendar year 2019 and the total dollar amount the sewer division collected for each listed Re-Connection Charge.

27. Provide a schedule listing each late payment penalty the Garrison District sewer division billed and collected in the calendar year 2019.

28. Refer to the Application, Attachment 4, Schedule of Operations Water Division and Schedule of Operations Sewer Division. Provide a detailed explanation as to as to how the revenues and expenses listed below are allocated between Garrison District's water and sewer divisions.

- a. Forfeited Discounts
- b. Salaries and Wages - Officers
- c. Insurance – General Liability & Other
- d. Insurance – Workers' Compensation

29. Identify the accounts used by Garrison District's sewer division to record the allocated revenues and expenses listed in Item 28.

30. Refer to the Application, Attachment 4, Reference E. Garrison District explains that in the test year labor and materials for new meter installations and sewer

taps were recorded as operating expenses. To correctly capitalize these costs, Garrison District proposes to deduct 70 percent of the collected tap-fee from the Salaries and Wages expense and the remaining 30 percent from the Materials and Supplies expense in each respective division. Provide documentation to support the Garrison District's proposed 70/30 cost allocation.

31. Provide a copy of Garrison District's calendar year 2020 Depreciation Schedule in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

32. Refer to the Application, Attachment 4, References K. Garrison District states that it is allocating several of its office expenses between the water and sewer divisions using the ratio of the customers served by each division. Provide a schedule identifying each office expense that Garrison District is allocating between the two divisions.

33. Refer to the Application, Attachment 5, Current Billing Analysis.

a. Provide the source of the 2019 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, with a detailed breakdown of Adjustment C in the amount of \$12,807.

c. Provide monthly billing registers, for water customers and for sewer customers, in PDF format for the calendar year 2019.

34. Provide an explanation why Garrison District has not proposed to include an increase to its Wholesale Sales Rate.

35. A review of records on file with the Commission indicates that Garrison District has not filed a cost of service study (COSS) since 2007 in Case No. 2007-00476.²

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

b. Explain whether Garrison District has performed a COSS since 2007.

c. Explain if any material changes to Garrison District's system would cause a new COSS to be prepared.

d. If there has been material changes to Garrison District's system, explain when Garrison District anticipates completing a new COSS.

36. Provide the annual revenue by meter size for each year since 2008.



Linda C. Bridwell, PE
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Public Service Commission
P.O. Box 615
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DATED APR 07 2021

cc: Parties of Record

² Case No. 2007-00476, *Application of Garrison-Quincy-Ky-O-Heights Water District for an Adjustment in Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities* (Ky. PSC Dec. 5, 2007).

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