

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF MADISON	)	CASE NO.
COUNTY UTILITIES DISTRICT FOR AN	)	2021-00218
ALTERNATIVE RATE ADJUSTMENT	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO MADISON COUNTY UTILITIES DISTRICT

Madison County Utilities District (Madison District), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on August 27, 2021. The Commission directs Madison District to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission. 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 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.

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<sup>1</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

Madison District shall make timely amendment to any prior response if Madison 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 Madison District fails or refuses to furnish all or part of the requested information, Madison 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, Madison 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, rows, and columns fully accessible and unprotected:

- a. The general ledger and trial balance for the calendar years 2020 and 2021 to date.
- b. The trial balance for the calendar years 2020 and 2021 to date.
- c. General Liability Insurance policies for 2020 and the current period, if available.

d. Hours worked by each employee, separated by regular hours worked, overtime hours worked, and any other form of hourly wage for the calendar year 2020.

e. A document detailing the names, job titles, job description, and pay rates for each employee on December 31, 2018, December 31, 2019, December 31, 2020, and for those currently employed.

f. A description of all employee benefits, other than salaries and wages, paid to, or on behalf of, each employee for each of the previous five years.

g. State whether Madison District employees participate in CERS. If confirmed, provide a statement from CERS that reflects the actual monthly payments remitted in 2020.

h. Minutes from Madison District commissioner meetings for the calendar years 2020 and the current period.

i. 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.).

j. 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 2020 in Excel spreadsheet format with all formulas intact and unprotected and all rows and columns fully accessible.

3. Refer to Madison District's Application, Attachment titled Outstanding Debt Instruments. For each principal and interest summary included, provide a summary of the institution to whom the debt is owed, its original purpose, and the Case Number of the case in which it was authorized by the Public Service Commission.

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

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

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

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

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

5. Provide the number of new tap-ons installed by meter size for 2020.

a. State whether Madison District keeps a record of the dollar amounts of labor and materials used to install new customer taps. If Madison District does, state the amount of labor expense and materials expense for the test year and where it is located in the general ledger.

b. Separately state the amounts expensed to install each meter sized 1 inch or larger.

6. Provide for Madison District's nonrecurring charges a schedule listing the number of occurrences of the Meter Reading Re-check charge, Meter Test charge, Meter Drop charge, Reconnection charge, Reconnection charge (After Hours), Returned Check/Bank Draft charge, Service Call charges, and Service Call (After Hours) charges in addition provide the total dollar amount billed and the total dollar amount collected during the test year.

7. Refer to Madison District's Amended Customer Notice.<sup>2</sup> Madison 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 Madison District considered and an explanation as to why each alternative was not chosen to increase its monthly water service rates.

8. Refer to Madison District's Application, Attachment 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.

9. Confirm whether any of Madison District's debt instruments require a set debt coverage ratio. If yes, detail these ratios and whether Madison District requires this rate adjustment to meet those requirements.

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<sup>2</sup> Amended Customer Notice, response to deficiency letter (filed June 23, 2021).



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Linda C. Bridwell, PE  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

DATED     JUL 29 2021    

cc: Parties of Record

Case No. 2021-00218

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