

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF SOUTH)	CASE NO.
WOODFORD WATER DISTRICT FOR A RATE)	2022-00035
ADJUSTMENT PURSUANT TO 807 KAR 5:076)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO SOUTH WOODFORD WATER DISTRICT

South Woodford Water District (South Woodford 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 May 19, 2022. The Commission directs South Woodford District to the Commission's July 22, 2021, Order in Case No. 2020-00085¹ 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 question to which the response is made and 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

¹ 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).

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

South Woodford District shall make timely amendment to any prior response if South Woodford 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 South Woodford District fails or refuses to furnish all or part of the requested information, South Woodford 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, South Woodford 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 1099's or W2's that South Woodford District issued to the members of its Board of Commissioners in calendar years 2018, 2019, 2020, and 2021.

2. Refer to South Woodford District's responses to Commission Staff's First Request for Information (filed April 21, 2022) (Commission Staff's First Request), Item 8.

a. Provide a detailed explanation as to why there was not a written management contract between South Woodford District and its former contract manager, George Withers.

b. Provide the date Mr. Withers began providing management services to South Woodford District.

c. Provide for calendar years 2018, 2019, and 2020, an itemized list of the services that were provided by Mr. Withers, the annual cost for each service, and the annual fee paid for management services.

d. Provide the date Matthew Coyle began providing the contract management services for South Woodford District.

e. Provide the date Mr. Coyle began providing management services to South Woodford District, an itemized list of the services that Mr. Coyle is providing to South Woodford District, the annual cost for each service, and the fee paid for management services.

f. Provide a copy of the draft management contract between South Woodford District and Mr. Coyle. Include the expected date the contract will be signed.

g. Provide documentation to show that the fees being charged to South Woodford by Mr. Coyle are reasonable.

3. Provide a schedule disclosing the number of hours by month that Mr. Coyle has spent managing South Woodford District from the date Mr. Coyle began providing his management services to South Woodford District until March 31, 2022.

4. Provide the names and addresses of Mr. Coyle's employers, other than South Woodford District, and documentation of hours worked for those employers for the calendar years 2019, 2020, and 2021.

5. Refer to South Woodford District's responses to Commission Staff's First Request, Item 9.a. South Woodford District states that it is paying \$3,000 per month for a meter reading system.

a. Provide a complete and detailed description of the meter reading system that South Woodford District referenced.

b. Provide the date South Woodford District began using the meter reading system and identify the owner of the system.

c. Provide a copy of any written contract or agreement between South Woodford District and the owner of the meter reading system.

d. Provide any form of documentation to support the \$3,000 monthly fee is reasonable.

6. Refer to South Woodford District's responses to Commission Staff's First Request, Item 9.a. and Item 9.b.

a. The fee South Woodford District paid its meter readers in 2020 was \$1.47 per meter. Provide the date the \$1.47 per meter fee was implemented and an explanation as to how the fee was established.

b. Provide a schedule comparing South Woodford District's per meter fees and the total annual meter reading costs for calendar years 2015–2019.

c. Provide documentation to support the 22.45 percent² increase in South Woodford District's meter reading fee.

d. Provide the date the \$1.80 per meter fee was implemented and an explanation as to how the fee was established.

e. Confirm that the table below lists South Woodford District's test year meter readers and the test-year reading fees paid to each.

	Meter Readers	Test-Year Meter Reading Fees
(1)	Derrick Poor	\$ 12,938
(2)	George Withers	\$ 4,958
(3)	Ricky Poor	\$ 12,068

f. If South Woodford District's response to Item 8.e. is no, provide a corrected table.

g. Provide a list of South Woodford District's current meter readers and explain if they are affiliated with the current contract manager, Mr. Coyle.

7. Refer to South Woodford District's responses to Commission Staff's First Request, Item 5.a.

a. Provide the estimated impact the proposed comprehensive system rehabilitation project will have on South Woodford District's: meter reading costs, depreciation expense, and annual debt service.

b. Provide copies of all calculations, assumptions, and work papers used in South Woodford District's response to Item 9.a.

² \$1.80 (Pro Forma Fee) - \$1.47 (Test-Year Fee) = \$0.33 ÷ \$1.47 = 22.45%.

c. Provide South Woodford District's response to Item 9.a. in an Excel Spreadsheet format with all formulas, columns, and rows unprotected and fully accessible in table format below.

8. Refer to South Woodford District's responses to Commission Staff's First Request, Item 5.b. Provide the estimated impact the installation of the zone meters will have on South Woodford District's ability to reduce its annual water loss.

9. Refer to South Woodford District's responses to Commission Staff's First Request, Item 5.c. Provide a copy of the Kentucky Infrastructure Authority's approval of South Woodford District's \$2,300,000 loan.

10. Refer to South Woodford District's responses to Commission Staff's First Request, Item 1.a., Excel Workbook: 1a_General_Ledger_Recap_2020.xls; Tab: O&M Overview.

a. In the table below is the recap of the expense account Materials and Supplies. Provide the following: a detailed itemized list of each amount included in the accountant's Materials and Supplies recap; and a detailed description of each expenditure listed in the itemized list.

<u>Month</u>	<u>R & M</u>
January	\$ 8,516
February	\$ 11,540
March	\$ 4,860
April	\$ 9,788
May	\$ 4,915
June	\$ 5,475
July	\$ 3,860
August	\$ 4,830
September	\$ 7,866
October	\$ 8,549
November	\$ 8,783
December	\$ 4,790

b. In the table below is the recap of the account New Construction. Provide the following: a detailed itemized list of each construction project; the in service date of each project; and confirm that each construction project is included in South Woodford District's depreciation schedule.

<u>Month</u>	<u>New Const</u>
January	\$ 1,030
February	\$ 1,030
March	\$ -
April	\$ 1,800
May	\$ 3,985
June	\$ 3,105
July	\$ 2,070
August	\$ 7,245
September	\$ 1,035
October	\$ 2,070
November	\$ 1,035
December	\$ 6,605

11. Refer to South Woodford District's responses to Commission Staff's First Request, Item 2, Excel Workbook: 2_Trial_Balance_2020.xlsx. In the table below are the year-end Adjusting Journal Entries made to expense account Materials and Supplies. Provide the following: a detailed itemized list of each amount included in each Adjusting Journal Entry; and a detailed description of each listed expenditure.

	\$ (6,891)
AJE - 1	\$ (1,326)
AJE - 11	\$ (8,300)
AJE - 23	\$ (7,190)
AJE - 24	\$ 9,925

12. Refer to South Woodford District's responses to Commission Staff's First Request, Item 4, Excel Workbook: 4_Rate_Study_Updated_with_New_Contractor_Rates.xlsx; Tab: Debt Service. For each debt issuance listed on this schedule; provide the case number in which the Commission authorized South Woodford District to issue the debt.

13. Refer to South Woodford District's response to Commission Staff's First Request, Item 15. The response was non-responsive. Provide a detailed breakdown of the test year dollar amount of \$10,302 for Other Water Revenues, in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

14. Provide the annual dollar amount of Forfeited Discounts/Late Charges for the calendar years 2017, 2018, and 2019.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
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DATED MAY 05 2022

cc: Parties of Record

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