

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BIG SANDY)	
WATER DISTRICT FOR AN ADJUSTMENT OF)	CASE NO.
ITS WATER RATES PURSUANT TO 807 KAR)	2022-00044
5:076)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO BIG SANDY WATER DISTRICT

Big Sandy Water District (Big Sandy 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 July 6, 2022. The Commission directs Big Sandy 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.

Big Sandy District shall make timely amendment to any prior response if Big Sandy 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 Big Sandy District fails or refuses to furnish all or part of the requested information, Big Sandy 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, Big Sandy 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. Refer to the Motion to Substitute and Supplement Exhibits in Application, Revised Exhibit E. Confirm that the 3-Inch meter Usage Table total gallons of 5,565,400 gallons is incorrect and should be the total gallons as stated in the 3-Inch Revenue Table of 5,549,400 gallons.

2. Refer to Application, Exhibit C, Attachment SAO-W, Statement of Adjusted Operations, References, Adjustment H, Unaccounted for Water Loss. Provide the following for the test period in table format in an Excel spreadsheet format with all

formulas, rows, and columns unprotected and fully accessible that includes the following information:

- a. Total gallons purchased from each supplier.
- b. The rate paid to each supplier; if the rate changed during the year, show the gallons purchased for each of the rates rather than an average rate for the year.
- c. Total dollars purchased from each supplier.
- d. Grand totals that support the test year gallons (413,582,000) and dollars (\$1,105,518).

3. Provide the following for calendar year 2019:

- a. General ledger in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.
- b. Year-end adjusting journal entries, including accruals for December 2019.
- c. For purchased water accruals, if applicable, provide copies of invoices associated with each entry.

4. Refer to Big Sandy District's response to Commission Staff's First Request for Information (Staff's First Request), Item 6b, payments to Sisler-Maggard.

a. Invoices 15030 AA-2 (\$4,241.25) and 15030 AA-3 (\$1,897.50) totaling \$6,138.75 refer to "Old System Re-mapping".

(1) State whether remapping is a periodically recurring activity and the frequency that it will recur.

(2) State whether the entire system will be remapped each time or whether there will be incremental remapping.

b. Invoices 19051-1 (\$435.00) and 19051-2 (\$591.25) totaling \$1,026.25 refer to "Lawrence Co/Top of the World Rd - Waterline Extension" Preparation and Preliminary Design and Specifications. Provide the waterline extension construction start and completion dates.

c. Invoices 15030-36 (\$5,710.92), 15030-37 (\$6,832.35), 15030-38 (\$56,886.00), and 15030-39 (\$2,804.55) totaling \$72,233.82 refer to the Water System Improvements Phase V project (construction, closeout, resident inspection). Confirm that these invoices should have been capitalized rather than expensed or explain why they should remain as expense.

5. Refer to Big Sandy District's response to Staff's First Request, Item 6f, invoice 144305 (\$12,630.18) from Neptune Equipment Company.

- a. Describe the components purchased and how they are used.
- b. Specify the project on which the components were used.
- c. State whether this expenditure should have been capitalized.
- d. If the components should have been capitalized provide the estimated useful life of the components.

6. Refer to Big Sandy District's response to Staff's First Request, Item 6g, invoice 13963 (\$10,332.40) from Micro-Comm. Confirm that this expenditure should have been capitalized, consistent with the original down payment (\$41,329.60) which was posted to account 00105-00010 CIP Phase V on July 2, 2020. If this should not be capitalized, explain why it should not.



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

DATED JUN 21 2022

cc: Parties of Record

Case No. 2022-00044

*Big Sandy Water District
18200 Kentucky Route #3
Catlettsburg, KY 41129

*Jessica Sexton
Big Sandy Water District
18200 Kentucky Route #3
Catlettsburg, KY 41129

*Gerald E Wuetcher
Attorney at Law
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801