

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF ROWAN)	CASE NO.
WATER, INC. FOR AN ALTERNATIVE RATE)	2022-00252
ADJUSTMENT)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO ROWAN WATER, INC.

Rowan Water, Inc. (Rowan Water), 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 December 13, 2022. The Commission directs Rowan Water 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.

Rowan Water shall make timely amendment to any prior response if Rowan Water 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 Rowan Water fails or refuses to furnish all or part of the requested information, Rowan Water shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned 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, Rowan Water 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 Rowan Water's response to Commission Staff's First Request for Information (Staff's First Request), Item 1a. Rowan Water failed to provide a general ledger for the years requested. For the years 2021 and 2022, provide a general ledger in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

2. Refer to Rowan Water's response to Staff's First Request, Item 2. Provide, in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully

accessible, workpapers showing the calculation for the adjustments to the following expenses. Provide support in the forms of invoices or receipts where necessary:

- a. Increase in Purchased Water of \$29,085.
- b. Increase in Purchased Power of \$41,713.
- c. Increase in Materials and Supplies of \$7,745.
- d. Increase in Transportation Expenses of \$50,400.

3. Refer to Rowan Water's response to Staff's First Request, Item 1h, page 83 of 104. The board minutes for August 2020 contain the following: "A motion was made by (Cox) second by (Collins) for Rowan Water to continue their leasing with enterprise and replace the 3 remaining trucks, the 2016 Chevy 2500, 2018 Chevy 3500, and the 2019 crew cab. The motion carried." Provide the following information:

- a. The case number for each vehicle for the Commission approval of each instance of indebtedness;
- b. Provide a description of the purpose of the indebtedness, the name of the creditor, and the terms of the debt issuance;
- c. Provide the current principal balance due and owing on each vehicle;
- d. Provide all documentation (such as promissory notes or loan agreements) concerning each of the three vehicles listed in the minutes.
- e. Provide the Board of Directors minutes where each vehicle lease was originally discussed and approved.
- f. Provide the Board of Directors minutes where each vehicle lease was discussed and a renewal approved.

4. Refer to Rowan Water's response to Staff's First Request, Item 6, Attachment, page 6. The tax assessment lists at least 11 vehicles. Provide the following:

a. The case number for each vehicle for the Commission approval of each instance of indebtedness;

b. Provide a description of the purpose of the indebtedness, the name of the creditor, and the terms of the debt issuance;

c. Provide the current principal balance due and owing on each vehicle;

d. Provide all documentation (such as promissory notes or loan agreements) concerning each of the three vehicles listed in the minutes.

e. Provide the Board of Directors minutes where each vehicle lease was originally discussed and approved.

f. Provide the Board of Directors minutes where each vehicle lease was discussed and a renewal approved.

5. Refer to the 2021 Rowan Water Annual Report, page 40. The Long-Term Debt lists the following: (1) Capital Lease 2019 6/18/19 6/18/23 1.5000 \$3,676.00 \$15,085.00; (2) Capital Lease 2020 7/28/20 7/28/25 1.5000 \$4,611.00 \$52,433.00; (3) Capital Lease 2021 7/26/21 7/26/25 1.5000 \$934.00 \$28,898.00. For each Capital Lease, provide the following:

a. Provide the Board of Directors minutes where each lease was discussed and approved;

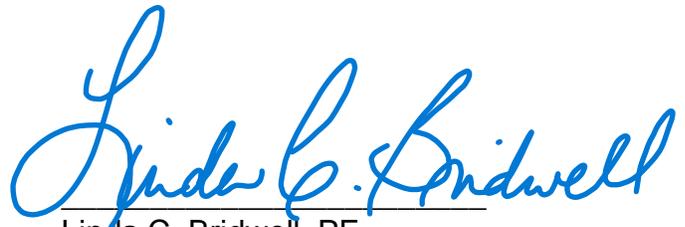
b. The case number for each vehicle for the Commission approval of each instance of indebtedness;

- c. Provide a description of the purpose of the indebtedness, the name of the creditor, and the terms of the debt issuance;
- d. Provide the current principal balance due and owing;
- e. Provide all documentation (such as promissory notes or loan agreements);
- f. Provide the terms of termination of the lease and any financial obligation that would be incurred by the district in the even the lease was terminated.

6. Refer to Rowan Water's response to Staff's First Request, Item 7. Rowan Water did not provide the information in the manner requested by Commission Staff. Provide the number of instances each nonrecurring charge was performed during the test period, as well as the total dollar amount collected for each nonrecurring charge.

7. Refer to Rowan Water's response to Staff's First Request, Item 9, cost justification for nonrecurring charges. Rowan Water did not provide the current or revised cost justification forms for the nonrecurring charges listed in its current tariff. Rowan Water shall provide up to date cost justification for all of its nonrecurring charges, using the cost justification forms found on the Public Service Commission website.

8. Refer to Rowan Water's response to Staff's First Request, Item 8, late payment penalties. Rowan Water did not provide the number of occurrences, nor the total amount collected for late payment penalties in the manner requested by Commission Staff. Rowan Water shall only provide the total number of instances where a late payment penalty was assessed as well as the total dollar amount collected for late payment penalties for the calendar years 2017 through 2021.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
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DATED NOV 21 2022

cc: Parties of Record

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