Andy Beshear Governor

Rebecca W. Goodman Secretary Energy and Environment Cabinet



Commonwealth of Kentucky **Public Service Commission**211 Sower Blvd.
P.O. Box 615

P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov Kent A. Chandler Chairman

> Angie Hatton Vice Chairman

Mary Pat Regan Commissioner

April 21, 2023

PARTIES OF RECORD

Re: Case No. 2022-00246

Notice is given to all parties that the attached memorandum has been filed into the record of this proceeding.

If you have any comments you would like to make regarding the contents of the memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Moriah Tussey, at 502-782-0818 or Moriah. Tussey@ky.gov.

Sincerely,

Linda C. Bridwell, PE Executive Director

Attachment: Memorandum



INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2022-00246

FROM: Moriah Tussey, Staff Attorney

DATE: April 13, 2023

RE: Informal Conference of April 13, 2023

Pursuant to an Order issued on March 29, 2023, an informal conference (IC) was conducted on April 13, 2023. Attached is a copy of the attendance roster.

The purpose of the IC was to discuss the Staff Report and Green Taylor Water District's comments to the Staff Report. According to Mr. Henderson, the biggest issue was regarding the employees. The district has hired three people and has an offer extended to a fourth prospective employee. The district will file the hiring information benefits/pay rate etc. for each new employee. The district will provide the minutes for those hirings as well as the creation of the two crew leader positions not addressed in the application. All information is to be filed no later than April 21, 2023, as agreed to by the district.

Staff stated that they accepted the adjustments to CERS as recommended by the district. The district can file any further information it would like with regard to the calculation. The CERS calculation was discussed with reference to the newly filled positions. New hires may affect the calculation. However, the final decision will be up to the Commission.

Mr. Henderson noted that they filed the normal objections to labor being removed from the labor expense. He notes that utilities seem to consistently object to the removal of the labor expense. Staff notes that the Commission has been consistently removing the labor from the nonrecurring charges.

Mr. Henderson stated that the district objected to any decrease in rates. He hoped to avoid this.

There was some general discussion about inflation and when or how to know to come in for a rate adjustment. Items to evaluate in considering whether to file for a rate adjustment. Also, the difference between a historical test year and a forecasted test year was discussed. A forecasted test year is used in a general case and Green Taylor District used the ARF process which uses a historical test year.

There was also mention of amortization of rate case expense and proof related to that process. The district stated that it had received an extension for filing its 2022 Annual Report.

There being no further discussion, the IC was then adjourned.

cc: Parties of Record

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:	
ELECTRONIC APPLICATION TAYLOR WATER DISTRICATION ADJUSTMENT PURSUANT	CT FOR A RATE) CASE NO.
	April 13, 2023
Please sign in:	
NAME	REPRESENTING
Mark Frost	Commission Staff
Eddie Beavers	Commission Staff
Tina Frederick	Commission Staff
Moriah Tussey	Commission Staff
John Henderson	GTWD Attorney
Byron Milby	GTWD Accountant
Larry Houk	GTWD Commissioner
Terry Mardis	GTWD Chairman
Mary Ann Larimore	GTWD Office Manager
Josh Riggle	GTWD General Manager

*Alan Vilines Kentucky Rural Water Association Post Office Box 1424 1151 Old Porter Pike Bowling Green, KENTUCKY 42102-1424

*Green-Taylor Water District 250 Industrial Park Road P. O. Box 168 Greensburg, KY 42743

*Maryann Larimore Green-Taylor Water District 250 Industrial Park Road P. O. Box 168 Greensburg, KY 42743

*John D Henderson John D. Henderson, P.S.C. 103 West Court Street Suite E Greensburg, KENTUCKY 42743