

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF WARREN)	
COUNTY WATER DISTRICT FOR AN)	CASE NO.
ADJUSTMENT OF RATES FOR SEWER)	2024-00201
SERVICE)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO WARREN COUNTY WATER DISTRICT SEWER DIVISION

Warren County Water District Sewer Division (Warren District), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on September 13, 2024. The Commission directs Warren 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.

Warren District shall make timely amendment to any prior response if Warren District obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Warren District fails or refuses to furnish all or part of the requested information, Warren 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 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, Warren 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 Application, Exhibit 8, Schedule of Adjusted Operations, Revenue Requirements, and References – Sewer. Provide all workpapers used to generate the proposed adjustments.

2. Refer to Application, Statement of Adjusted Operations. Provide a cross reference that matches each 2023 general ledger account to each revenue and expense

line in the Schedule of Adjusted Operations and reconcile each amount that does not match.

3. Refer to the Application, Attachment 7, Revenue Requirement Table.

a. For each outstanding debt issuance still active, provide the amortization schedule.

b. For each outstanding debt issuance still active, provide the case number in which Warren District was authorized to issue the debt.

4. Refer to the Application, Exhibit 7, Statement of Adjusted Operations. Also refer to Warren District's response to Commission Staff's First Request for Information (Staff's First Request), Item 10. In the Statement of Adjusted Operations, Contractual Services – Legal is reported as \$5,136; however, in the response to Staff's First Request it is recorded as \$4,672.44. Reconcile and explain the discrepancy.

5. Refer to the Application Exhibit 7, Statement of Adjusted Operations. Also refer to the Application, Exhibit 14, Exhibit_014_DepreciationSchedule.xlsx, Row 2908. In Exhibit 7, the test year Depreciation Expense is \$1,918,276. In Exhibit 14, the 2023 Depreciation Expense is recorded as \$1,926,142. Explain and reconcile the difference between the total depreciation expenses.

6. Refer to the Application, Exhibit 7, Statement of Adjusted Operations, References, Adjustment A. Also refer to Warren District's response to Staff's First Request, Item 23. Explain the justification for all employees receiving a 2 percent increase for merit, when it is based on job performance.

7. Refer to the Application, Exhibit 8, Statement of Adjusted Operations. Also refer to Warren District's response to Staff's First Request, Item 31, billing analysis and

Warren District's 2023 Annual Report, page 25. Explain why Warren District did not make an adjustment to its metered revenue as the billing analysis filed shows a metered revenue of \$6,140,253.64, compared to total metered revenue of \$6,097,840.41 in its Annual Report.

8. Provide a billing analysis with proposed rates that demonstrates that the rates proposed by Warren District will generate the revenue requirement as calculated by Warren District.

9. Refer to Application, Exhibit 9 as well as the responses to Staff's First Request, Item 31.

a. Explain why a billing analysis that differs from the one included in the Application was provided as part of Staff's First Request;

b. Clarify which billing analysis should be used; and

c. Provide a copy of the one included as Exhibit 9 of the Application in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

10. Refer to Exhibit 8a, the written testimony of Ross Guffey, page 6. If a billing analysis was performed, explain why no adjustment to the test period metered revenues was provided in Exhibit 8, Statement of Adjusted Operations and the Revenue Requirement Calculation.

11. Refer to Warren District's response to Staff's First Request, Item 31, billing analysis. Provide support for the \$17,878.53 and \$28,537.52 in unbilled revenues for residential and commercial customers, respectively.

12. Refer to Warren District’s response to Staff’s First Request, Item 1e, Exhibit_1-1e_EmployeePayInformation.xlsx, 2024 Sewer Proforma2 Tab, Rows 9 thru 56 and Rows 81 thru 87. Reconcile and explain why the 2024 Average Pay Rate for “Customer Service Wages Recording to 100 percent Expense in Year 2024” in rows 81 thru 87 does not match the 2024 Average Pay Rate for the same employee in Rows 9 thru 56, as shown in the following table.

Dept	Position	Job Title	Row 81 thru 87 2024 Average Pay Rate	Row 9 thru 56 2024 Average Pay Rate
2K	41	Customer Service Supervisor	29.57	29.86
2I	49	Customer Service Representative	21.09	21.33
2I	60	Operations Clerk	22.94	23.10
2I	199	Customer Service Representative	20.00	20.25
2I	217	Customer Service Representative	16.85	17.11
2I	222	Applications Clerk	19.67	19.45
2I	224	Customer Service Representative	18.20	18.17

13. Refer to Warren District’s response to Staff’s First Request, Item 19, Exhibit_1-19.xlsx. Rows 2,194 thru 2,214. Explain why these Taps have 10-year depreciable lives.

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 Public Service Commission
 P.O. Box 615
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DATED AUG 30 2024

cc: Parties of Record

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