

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF CRITTENDEN- )	
LIVINGSTON COUNTY WATER DISTRICT FOR )	
AN ALTERNATIVE RATE FILING PURSUANT TO )	CASE NO.
807 KAR 5:076 )	2024-00278

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION  
TO CRITTENDEN-LIVINGSTON COUNTY WATER DISTRICT

Crittenden-Livingston County Water District (Crittenden-Livingston 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 April 24, 2025. The Commission directs Crittenden-Livingston District to the Commission's July 22, 2021, Order in Case No. 2020-00085<sup>1</sup> 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

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<sup>1</sup> 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.

Crittenden-Livingston District shall make a timely amendment to any prior response if Crittenden-Livingston 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 Crittenden-Livingston District fails or refuses to furnish all or part of the requested information, Crittenden-Livingston 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, Crittenden-Livingston 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 Crittenden-Livingston District's response to Commission Staff's First Request for Information (Staff's First Request), Item 1c, "Cross Reference" Excel document, Employee Pension and Benefits section of the spreadsheet. Explain why retirement expenses were reported as a negative \$16,269 in cell I29.

2. Refer to Crittenden-Livingston District’s response to Staff’s First Request, Item 1a, General Ledger 2023, Account 621.02, Repair & Maintenance – Water PI. Refer also to the chart listed below.

Date	Number	Vendor	Description	Amount
01/11/2023	31044	Ferguson Waterworks		\$ 12,813.54
01/27/2023	7403334	GlobalTech Power	covered by insurance	10,000.00
03/29/2023	232611-1	All Service Contracting Corp.	Filter Rehab project	22,446.00
04/18/2023	21395	Pittsburg Tank & Tower Maint. Co.		29,427.30
04/20/2023	42680	Southern Electric Motor Sales & Service,		16,237.11
06/05/2023	531053	Sidener Environmental Services		4,826.79
06/08/2023	31384	All Service Contracting Corp.	Filter Rehab	125,562.00
08/23/2023	08232301	HTI, Inc.		9,412.00
10/12/2023	401287104	Xylem		4,267.56
12/29/2023	143295	Mainstream Commercial Divers, Inc.		4,127.10
		Total		<u>\$ 239,119.40</u>

3. For each item listed in the chart above, provide copies of each invoice relevant to the items listed in the chart below.

4. For each item listed in the chart above, describe the purchase attributed to Account 621.02 and state whether each item should have been capitalized.

5. For each item listed in the chart above, if Crittenden-Livingston District believes its classification of an Account 621.02 purchase as an expense is proper, explain the reasoning.

6. For each item listed in the chart above, if a purchase should have been capitalized, provide the appropriate NARUC useful life for depreciation purposes.

Date	Number	Vendor	Description	Amount
01/11/2023	31044	Ferguson Waterworks		\$ 12,813.54
01/27/2023	7403334	GlobalTech Power	covered by insurance	10,000.00
03/29/2023	232611-1	All Service Contracting Corp.	Filter Rehab project	22,446.00
04/18/2023	21395	Pittsburg Tank & Tower Maint. Co.		29,427.30
04/20/2023	42680	Southern Electric Motor Sales & Service,		16,237.11
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06/08/2023	31384	All Service Contracting Corp.	Filter Rehab	125,562.00
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12/29/2023	143295	Mainstream Commercial Divers, Inc.		4,127.10
		Total		<u>\$ 239,119.40</u>

7. Refer to Crittenden-Livingston District’s response to Staff’s First Request, Item 1a, General Ledger 2023, Account 621.03, Repairs & Maint – Pumps & Tanks. Refer also to the chart listed below.

Date	Number	Vendor	Description	Amount
03/02/2023	2323	Complete Restoration LLC		\$ 17,972.50
03/14/2023	2323-1	Complete Restoration LLC		17,972.50
04/20/2023	42679	Southern Electric Motor Sales & Service,		7,454.23
05/18/2023	42733	Southern Electric Motor Sales & Service, Filter Rehab-	needs to be capitalized	2,060.00
10/17/2023	1102	Independent Tank and Tower, Inc.		11,000.00
11/03/2023	43061	Southern Electric Motor Sales & Service,		13,607.38
11/30/2023	41000	Guthrie Sales & Service		3,616.63
12/28/2023	2301	Midco Diving & Marine Services, Inc		9,317.35
		Total		<u>\$ 83,000.59</u>

8. For each item in the chart above, provide copies of each invoice relevant to the items listed in the chart below.

9. For each item in the chart above, describe the purchase and state whether each item should have been capitalized.

10. For each item in the chart above, if Crittenden-Livingston District believes its classification as an expense is proper, explain the reasoning.

11. For each item in the chart above, if an item should have been capitalized, provide the appropriate NARUC useful life for depreciation.

Date	Number	Vendor	Description	Amount
03/02/2023	2323	Complete Restoration LLC		\$ 17,972.50
03/14/2023	2323-1	Complete Restoration LLC		17,972.50
04/20/2023	42679	Southern Electric Motor Sales & Service,		7,454.23
05/18/2023	42733	Southern Electric Motor Sales & Service, Filter Rehab-	needs to be capitalized	2,060.00
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11/03/2023	43061	Southern Electric Motor Sales & Service,		13,607.38
11/30/2023	41000	Guthrie Sales & Service		3,616.63
12/28/2023	2301	Midco Diving & Marine Services, Inc		9,317.35
		Total		<u>\$ 83,000.59</u>

12. Provide a copy of Crittenden-Livingston District’s 2023 audit. If the 2023 audit is not available, provide an update from Kemper CPA regarding completion of the

audit, including a date certain when it will be complete, and the cause for the delay that was referenced in the board meeting minutes from January 27, 2025.<sup>2</sup>

13. Refer to Crittenden-Livingston District’s response to Staff’s First Request, Item 1a, 2023 General Ledger, Account 675.34, Legal & Professional Fees. Refer also to the chart listed in this item below.

- a. Provide an invoice for each transaction listed in the chart below.
- b. If the invoice does not reference the audit year that the fee is for, state the audit year for each amount.
- c. Provide the cost for preparation of Crittenden-Livingston District’s 2024 audit.

Date	Number	Vendor	Amount
02/23/2023	1155591	Kemper CPA Group LLP	\$ 4,678.30
03/30/2023	1176104	Kemper CPA Group LLP	1,000.00
05/25/2023	1199385	Kemper CPA Group LLP	3,400.00
06/29/2023	1202398	Kemper CPA Group LLP	5,800.00
10/26/2023	1220487	Kemper CPA Group LLP	4,000.00
12/01/2023	11300295	Kemper CPA Group LLP	4,500.00
		Total	<u>\$ 23,378.30</u>

14. Refer to Crittenden-Livingston District’s response to Staff’s First Request, Item 1a, 2023 General Ledger, Account 620.82 Computer Maintenance. Refer also to the chart listed in this item below.

Date	Number	Vendor	Description	Amount
03/01/2023	634084	Itron	November 2022 Invoice- Itron Support	\$ 4,771.02
03/01/2023	606286	Itron	November 2021 Invoice- Itron Support	4,459.21
		Total		<u>\$ 9,230.23</u>

<sup>2</sup> Crittenden-Livingston District’s Response to Staff’s First Request (filed Mar. 27, 2025), Attachment 9\_Minutes\_2025.pdf at pages 5-6 of 9.

15. Provide the invoice for each amount relevant to the items listed in the chart above.

16. For each item in the chart above, state whether the amount is expected to be a recurring expense.

Date	Number	Vendor	Description	Amount
03/01/2023	634084	Itron	November 2022 Invoice- Itron Support	\$ 4,771.02
03/01/2023	606286	Itron	November 2021 Invoice- Itron Support	4,459.21
		Total		<u>\$ 9,230.23</u>

17. Refer to Crittenden-Livingston District's response to Staff's First Request, Item 1a, 2023 General Ledger, Account 675.000, Miscellaneous Expense. For each item listed in the chart below, provide the requested information. Refer also to the chart listed in this item below.

a. Explain the business purpose of each expenditure.

b. For each employee safety award, provide an explanation for the methodology for selecting the award recipient.

Date	Vendor	Description	Amount
01/05/2023	Mellow Mushroom	Employee Christmas Party	\$ 538.45
01/05/2023	Mellow Mushroom	Gift Cards for Employees working and unable to attend Christmas Party	60.00
02/27/2023	Deer Lakes Golf Course		120.00
06/29/2023	Deer Lakes Golf Course		120.00
08/11/2023	Kentucky Publishing, Inc.		577.00
10/31/2023	Deer Lakes Golf Course		120.00
12/15/2023	Wal-Mart	employee safety awards	1,034.40
12/15/2023	Wal-Mart	employee safety awards	1,034.40
12/19/2023	Wal-Mart	employee safety award	620.64
12/22/2023	Feed Mill Restaurant	Employee Christmas Party	629.41

18. Refer to Crittenden-Livingston District's response to Staff's First Request, Item 1c, Cross Reference, Account 675.30, Advertising/Promotional, in the amount of \$92. Provide a description of the advertisement(s) that resulted in the expenses incurred (i.e., bid advertisement, open position, etc.).

19. Refer to Crittenden-Livingston District's response to Staff's First Request, Item 1a, 2023 General Ledger, Account 675.05, PSC Assessment. State and explain the nature of the 2021-2022 Assessment fees, including if they were due to missed payments.

20. Explain the adjustment in the amount \$1,686.80 made on December 31, 2023, to "adjust prepaid expenses to actual".

21. Refer to Crittenden-Livingston District's response to Staff's First Request, Item 4c, Employee Summary Excel document, and 4f. Provide the planned number of staff at each position after all vacancies have been filled.

22. Refer to Crittenden-Livingston District's response to Staff's First Request, Item 11.

a. Provide the total tap fee revenue recorded during the test year.

b. State whether the \$24,655 in material costs that were capitalized was included in the materials and supplies expense during the test year.

23. Refer to Crittenden-Livingston District and Webster County Water District's Interconnect Agreement, filed March 10, 2011.

a. Explain why there is a discrepancy between the contracted rate and the wholesale rates in the respective tariffs.

b. State whether there have been discussions of the rate changing since the contract was created.

24. Refer to Crittenden-Livingston District's response to Staff's First Request, Item 17, and Application, Schedule of Adjusted Operations, Forfeited Discounts. Explain the difference between the late fees of \$71,833.75 stated in response to Item 17 and the \$67,097 reported in the Schedule of Adjusted Operations.

25. Refer to Crittenden-Livingston District's response to Staff's First Request, Item 9, 2024 Board Minutes, Page 8, New Business. The minutes appear to support the following: (1) That Crittenden-Livingston District's commissioners were informed that it could not issue securities of indebtedness without PSC authorization; (2) That it was recommended that Crittenden-Livingston District should self-report the violation and that the agreement had been rescinded; and (3) The board voted to contact KACo to request that the agreement be rescinded. Explain whether Crittenden-Livingston District was able to successfully rescind the agreement and provide any written documentation confirming that the agreement was rescinded.

26. State whether Crittenden-Livingston District has reported the matter discussed above to the PSC. If yes, provide documentation of the reporting. If not, explain why not.

27. Refer to Crittenden-Livingston District's response to Staff's First Request, Items 10 b-c, regarding Commissioner Training Records. Crittenden-Livingston District stated it would provide the requested information on April 10, 2025. Provide the requested information, if not already provided, or state the expected filing date.

28. Refer to Crittenden-Livingston District's response to Staff's First Request, Item 9, 2025 Board Minutes, including the February 17, 2025 board minutes' discussion of confusion with commissioner terms. Also refer to Crittenden-Livingston District's April 3, 2025 supplemental response to Staff's First Request, Item 10, Board Members Excel Document. Explain the confusion with the terms and provide an update including each commissioner's date of appointment, re-appointment and current term. If up to date information has been submitted, provide a citation.



29. Refer to Crittenden-Livingston District's April 3, 2025 supplemental response to Staff's First Request, Item 20. Crittenden-Livingston District provided updated cost justification for its 2-Inch Meter Connection/Tap-On Charge. Explain whether Crittenden-Livingston District wants to establish a specific dollar amount for the 2-Inch Meter Connection/Tap-On Charge of \$5,025 or to keep all Meter Connection/Tap-On Charges larger than 1-Inch as Actual Cost, as currently shown in Crittenden-Livingston District's Tariff.



Linda C. Bridwell, PE  
Executive Director  
Public Service Commission  
P.O. Box 615  
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DATED APR 8 2025

cc: Parties of Record

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