

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF CUMBERLAND	)	
COUNTY WATER DISTRICT FOR AN	)	CASE NO.
ADJUSTMENT OF RATES PURSUANT TO 807	)	2025-00226
KAR 5:076	)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION  
TO CUMBERLAND COUNTY WATER DISTRICT

Cumberland County Water District (Cumberland 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 26, 2025. The Commission directs Cumberland 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.

Cumberland District shall make timely amendment to any prior response if Cumberland 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 Cumberland District fails or refuses to furnish all or part of the requested information, Cumberland 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, Cumberland 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 Cumberland District's response to Commission Staff's First Request for Information (Staff's First Request), Item 2a, General Ledger 2024, for the accounts listed below. Refer also to the chart listed below.

**6200-00 Materials and Supplies**

<b>Date</b>	<b>Num</b>	<b>Name</b>	<b>Amount</b>
02/26/2024	Echeck	Fortiline	\$ 28,567.68
04/22/2024	29999	Consolidated Pipe & Supply Company, Inc.	25,840.00
05/13/2024	30048	United Systems & Software, Inc.	27,282.98
06/13/2024	30137	Consolidated Pipe & Supply Company, Inc.	35,905.14
08/12/2024	30281	Fortiline	15,460.27
08/26/2024	30336	Albany Quarry	3,374.61
10/31/2024	30599	Fortiline	14,783.43

**6310-00 Contractual Service**

<b>Date</b>	<b>Name</b>	<b>Description</b>	<b>Amount</b>
09/26/2024	1234	Stotts Construction Co, Inc	\$ 130,070.00
10/01/2024	1009	Monarch Engineering, Inc.	26,218.14

a. For each item listed in the chart above, provide a copy of each invoice relevant to the item.

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

c. For each item in the chart above, if Cumberland District believes its classification as an expense is proper, explain the reasoning.

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

2. Refer to Cumberland District's response to Staff's First Request, Item 8a, Gallons Purchased and Cost, and Item 8b, Water Purchased Reconciliation.

a. For both Burkesville Water Works (Burkesville) and city of Albany Water Department (Albany), explain why the cost per 1,000 gallons varies month to month for each entity.

b. Explain why the cost does not match the wholesale rates listed in the tariff on file with the Kentucky Public Service Commission for Burkesville, Albany, and Columbia – Adair Utilities District.

3. Refer to Cumberland District's response to Staff's First Request, Item 4, Item 2a\_General\_Ledger\_2024, and Item 2c\_Reconciliation.xlsx.

a. Provide explanation regarding the amount of \$3,203.00 provided for Account 4030 Miscellaneous Revenues in Item 4 and Item 2c versus the general ledger balance of \$27,810.92 for Account 4030.

b. Explain which amount is correct for Miscellaneous Revenues.

4. Refer to Cumberland District's response to Staff's First Request, Item 14, Item 15, and Item 2a\_General\_Ledger\_2024.

a. Provide a reconciliation between the amount provided for test year late fees in Items 14 and 15 of \$25,370.92 and the amount listed in the general ledger in Account 4010 Late charge of \$23,810.55.

b. Explain whether Late Fee revenue was reported as Metered Water Sales in the test year, and if not, explain how the revenue was reported.

5. Refer to Cumberland District's response to Staff's First Request, Item 15. Provide the general ledger account number in which the nonrecurring revenue was recorded during the test year.

6. Refer to Cumberland District's response to Staff's First Request, Item 17\_Tap\_Fee\_Cost\_Justification\_Large. Provide an updated cost justification sheet to support the 1-inch Meter Connection/Tap-on charge.

7. Refer to Cumberland District's response to Staff's First Request, Item 2(a) and (b). The general ledger provided does not reconcile with the Trial Balance expenses for the below Account No's.

a. Reconcile the differences between the general ledger and the Trial Balance for the Account No's. provided in the chart below.

b. Provide supporting documentation for each variance identified.

c. Explain whether any adjustments were made to the general ledger balances prior to reporting test-year expenses in the Application.

Account No.	Description	Trial Balance	General Ledger
6600	Pay Roll Expenses	\$ 334,708	\$ 374,080
6100	Purchased Water	584,741	567,616
6200	Materials and Supplies	225,205	271,086
6020	Transportation	63,420	110,115
6560-10	General Liability Insurance	28,510	54,916
6470	Miscellaneous Expense	122,936	19,184

8. Refer to Cumberland District's response to Staff's First Request, Item 6, 5\_Payroll\_Summary\_2024, 6c\_Medical\_Insurance\_Invoice\_recent, and 6c\_Life\_Insurance\_Invoice\_Recent. In its response to Item 6, Cumberland District stated that each employee receives incentive pay but does not state how many employees receive medical insurance. Each of the responses above, indicated a different number of employees that receive medical insurance coverage. Provide the number of employees Cumberland District expects to receive medical insurance once it has hired its new employees.

9. Refer to Cumberland District's response to Staff's First Request for Information, Item 6, 5\_Payroll\_Summary\_2024. State when Cumberland District anticipates the two new employee positions referenced in the payroll summary will be filled and provide board minutes approving the addition of these positions.

10. Refer to Cumberland District's response to Staff's First Request, Item 19a, and Rate\_Model.xlsx (Tap Fees tab). Explain why the Rate\_Model reflects 45 new tap installations and explain which number of installations is correct.

11. Refer to Cumberland District's response to Staff's First Request, Item 2c\_Reconciliation, Depreciation Expense, General Ledger Account No. 6720.

a. Explain why the 2024 General Ledger does not contain Account No. 6720.

b. Provide the total Depreciation expense recorded in the 2024 General Ledger, identifying the accounts in which the expense was recorded.

12. Refer to Cumberland District's response to Staff's First Request for Information, Item 9, 9\_Insurance\_Certificates. Cumberland District did not provide all the requested Information. Provide certificates of insurance and most recent invoices for Workers' Compensation Insurance for 2024 and 2025.



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

DATED SEP 9 2025

cc: Parties of Record

\*Robert K. Miller  
Straightline Kentucky LLC  
113 North Birchwood Ave.  
Louisville, KY 40206

\*Cumberland County Water District  
133 Lower River Street  
Burkesville, KY 42717-9622

\*Troy Norris  
Cumberland County Water District  
133 Lower River Street  
Burkesville, KY 42717-9622