

**SUPPLEMENTAL TESTIMONY  
of  
DAVID G. BEBYN CPA**

**On Behalf of  
Kent County Water Authority  
Docket No. 5133**

**June 2021**

1 **Q. Will you please provide your full name and your employer for the record?**

2 A. Yes, my name is David George Bebyn CPA. I am the president of B&E Consulting LLC.

3

4 **Q. Are you the same David Bebyn who filed direct testimony in this docket?**

5 A. Yes.

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7 **Q. What is the purpose of this supplemental testimony?**

8 A. The primary purpose is to update portions of the settlement schedules to propose removing  
9 private hydrants that are not maintained by the Kent County Water Authority (KCWA).

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11 **Q. Why were these rate design issues not raised in your original direct testimony?**

12 A. The original direct testimony was only to address the tariff changes from quarterly to  
13 monthly billing on water sales and private fire billings. Subsequent to the filing, there have been  
14 increasing complaints from private fire services customers which maintain their own hydrants  
15 being charged by the number of hydrants. Many of these hydrants were newly charged as part of  
16 Docket #5012 due to an investigation of fire services being provided by large and medium  
17 compound meters which the Commission ordered in Docket #6411. These complaints have  
18 become so problematic that the Division and KCWA have had many conversations and have  
19 agreed to eliminate the customer-maintained private hydrants and to charge the customer a fire  
20 service charge for the connection only.

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22 **Q. Mr. Bebyn, will this rate design change impact the overall revenue requirement  
23 originally requested?**

24 A. No. KCWA is requesting the same revenue neutral impact of the originally filed revenue  
25 requirement. KCWA believes that it can absorb the reduction in private fire service revenue in  
26 the short term by savings in the current year surplus along with using its reserves until KCWA's  
27 subsequent rate filing. KCWA expects to file a full rate case with a cost of service in a couple of  
28 years to address major capital projects.

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1 **Q. Please provide the Commission with the detailed steps you took in adjusting the**  
2 **settlement schedules.**

3 A. First, I maintained the original fire service calculations, which assume the Docket #5012 fire  
4 counts and overall revenue requirement from fire. These calculations are presented on Amended  
5 Settlement Schedules 4.0 and 4.1. The only modification was to show the monthly rate for public  
6 fire, so all rates are presented on a monthly basis.

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8 Second, I modified Amended Settlement Schedule 6.0 to remove the customer-maintained  
9 private hydrants and add the service connections that supported them. I also adjusted all private  
10 fire service counts and public fire hydrant counts to the present count. Both of these steps were  
11 used to determine the overall shortfall in fire protection revenue.

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13 Lastly, the shortfall was presented on Amended Settlement Schedule 1.0 and the offset to the  
14 shortfall was presented to show that the changes have no impact on net revenue and expense.

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16 **Q. Does that conclude your supplemental testimony?**

17 A. Yes.