

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF ESTILL COUNTY WATER)	
DISTRICT NO. 1 TO ISSUE SECURITIES IN)	
THE APPROXIMATE PRINCIPAL AMOUNT)	
OF \$2,745,000 FOR THE PURPOSE OF)	CASE NO.
REFUNDING AND/OR RE-AMORTIZING)	2018-00058
CERTAIN OUTSTANDING OBLIGATIONS OF)	
THE DISTRICT PURSUANT TO THE)	
PROVISIONS OF KRS 278.300 AND 807 KAR)	
5:001)	

ORDER

On February 5, 2018, Estill County Water District No. 1 (“Estill County”) filed an application seeking Commission authority to refinance certain debts of up to \$2,745,000 with the Kentucky Rural Water Finance Corporation (“KRWFC”) over a term of 28 years. On March 6, 2018, the Commission entered an Order that denied Estill County’s application without prejudice based on findings that the proposed refinancing will not produce gross savings in the total of principal and interest payments over the 28-year term as compared to Estill County’s existing debt service. On March 29, 2018, Estill County filed a Motion for Reconsideration and Supporting Memorandum (“Motion for Reconsideration”) of the denial of its refinancing and a Motion for Conference with Commission Staff (“Motion for Conference”). On April 10, 2018, the Commission granted Estill County’s Motion for Reconsideration for the limited purpose of allowing Estill County to demonstrate that the proposed refinancing will allow it to build cash reserves, timely pay the restructured debt service obligations, and address its existing operational

problems including excessive line loss. Finding that Estill County should present its evidence at a hearing on April 16, 2018, rather than at a conference with Commission Staff, Estill County's Motion for Conference was denied as moot. On April 13, 2018, Estill County filed a Motion to Postpone Hearing, which requested the formal hearing set for April 16, 2018, be postponed based upon a notification from KRWFC that the terms of the proposed refinancing were being reconsidered and that they might be revised.

Based upon a review of the record, the Commission finds that the hearing scheduled for April 16, 2018, should be continued until Estill County knows with certainty whether there will be changes in the terms of the proposed refinancing and, if so, whether Estill County intends to proceed with the refinancing.

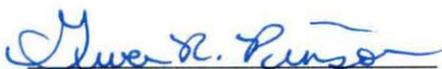
IT IS THEREFORE ORDERED that:

1. Estill County's Motion to Postpone the formal hearing scheduled for April 16, 2018, is granted.
2. The hearing scheduled for April 16, 2018, is cancelled and shall be rescheduled at a later date, if needed.
3. Within five days of receiving notice from KRWFC as to the terms of the proposed refinancing, Estill County shall file a written notice with the Commission stating whether it intends to continue with the refinancing and the anticipated date of filing an amended application if one is needed.

By the Commission



ATTEST:


Executive Director

Case No. 2018-00058

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