

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF RATES OF THE )  
KENTUCKY TURNPIKE WATER DISTRICT AND ) CASE NO. 98-398  
THE IMPOSITION OF AN IMPACT FEE )

O R D E R

IT IS ORDERED that Kentucky Turnpike Water District ("Kentucky Turnpike") shall file the original and 8 copies of the following information with the Commission by March 18, 1999, with a copy to all parties of record. Each copy of the information requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. 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 Order.

1. In its Response to the Commission's Order of November 13, 1998, Item 1(a), Kentucky Turnpike stated that the debt service requirement for Kentucky Turnpike Division II's long-term debt is 1.25. Why does Kentucky Turnpike require rates that are based upon a debt service coverage ratio greater than 1.25?

2. At page 2 of his testimony of March 1, 1999, Martin L. Brown states that [t]he District needs to demonstrate at least a 1.50 debt service coverage ratio to obtain favorable

financing terms and conditions. Provide documentary evidence to support Mr. Brown's statement.

3. In his testimony of March 1, 1999, Martin L. Brown refers to Kentucky Turnpike's cash flow requirements.

- a. Describe these requirements.
- b. Identify the source of these requirements.
- c. Provide a copy of the source of these requirements.

4. At pages 4 and 5 of his testimony of March 1, 1999, Steve Freeman refers to estimated revenues and expenditures for 1998.

a. Provide an income statement showing the estimated revenues and expenditures for 1998 on which the forecasts were based.

b. Provide an income statement showing actual revenues and expenditures for 1998 when it becomes available.

5. How many customers did Kentucky Turnpike Division II serve as of December 31, 1998?

6. Provide a detailed breakdown of Kentucky Turnpike's actual revenues for calendar year 1998.

7. Provide a breakdown of water usage by customer class for calendar year 1998.

Done at Frankfort, Kentucky, this 8<sup>th</sup> day of March, 1999.

By the Commission

ATTEST:

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Executive Director