

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED WATER)	CASE NO.
ADJUSTMENT FILING OF NICHOLAS)	2020-00145
COUNTY WATER DISTRICT)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO NICHOLAS COUNTY WATER DISTRICT

Nicholas County Water District (Nicholas District), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due on July 26, 2021. Pursuant to the Commission's Orders in Case No. 2020-00085,¹ issued March 16, 2020, and March 24, 2020, Nicholas District SHALL NOT FILE the original paper copy of all requested information at this time, but rather shall file original paper copies within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Nicholas District shall make timely amendment to any prior response if Nicholas District obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Nicholas District fails or refuses to furnish all or part of the requested information, Nicholas 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 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, Nicholas 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 Nicholas District's June 23, 2021 motion filed in this proceeding.
 - a. Provide the date that Nicholas District first contacted Kentucky Rural Water Association (KRWA) to request assistance with performing a cost of service study upon which to base a rate adjustment case.
 - b. Provide copies of all written communication between Nicholas District and KRWA related to assistance with performing a cost of service study upon which to base a rate adjustment case, including, but not limited to, emails and letters.

2. Refer to Chairman Cleaver's letter dated June 1, 2021, a copy of which is attached as an Attachment, and Nicholas District's June 23, 2021 motion.

a. State whether, prior to contracting with the Rural Community Assistance Program to prepare and file an Alternative Rate Filing application, Nicholas District intended to satisfy ordering paragraph 5 of the Commission's May 11, 2020 Order in this proceeding by applying for an adjustment to its rates in connection with the United States Department of Agriculture Rural Development (RD) loan discussed in Chairman Cleaver's letter.

b. Provide the name of the engineer or engineers with whom Nicholas District is working in connection with the RD loan.



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

DATED JUL 17 2021

cc: Parties of Record

ATTACHMENT

ATTACHMENT TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2020-00145 DATED JUL 16 2021

TWO PAGES TO FOLLOW

Nicholas County Water District

1639 Old Paris Road

Carlisle, KY 40311

Telephone: (859) 289-3157

June 1, 2021

Ms. Linda Bridwell
Executive Director
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602

Re: Nicholas County Water District
Case No. 2020-00145

Dear Ms. Bridwell:

In an Order issued by the Public Service Commission in the above noted Case and dated May 11, 2020, the Commission ordered the District to file an application for a traditional adjustment of rates or an alternative rate adjustment within one year of the date of the Order. As of this date the District has not submitted an application for adjustment of rates to the Commission.

We presently do not possess the necessary knowledge on District staff to conduct the required adjustment of rates. In communications with Kentucky Rural Water Association staff they do possess the necessary expertise but are currently back logged until near the end of 2021 to complete the necessary submittals.

It has been the District's intention to adjust its water rates as part of an ongoing system improvements project funded through the USDA RD. In September of 2020 the District advertised a Notice of Intent to File Application and has subsequently submitted a majority of the checklist items as required by USDA RD. Due to the current environment this process has not progressed as rapidly as desired. It is our hope that we will receive a commitment of funds from the USDA RD within the next few months and be able to adjust rates in accordance with the requirements of USDA RD and the approval of the Commission.

The District, with the aid of its engineering consultant, has prepared preliminary financial analysis and a recommended rate adjustment in order to meet the current and future obligations of the District. This analysis has been submitted to USDA RD and is awaiting approval.

The District would ask the Commission to consider the proceeding information as evidence of the District's attempts to adjust water rates and satisfy the Commission Order.

If you should have any questions, please contact me at 859-289-3157 at your earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Silas Cleaver", is written over a solid horizontal line.

Silas Cleaver
Chairman

c: File

*Honorable Damon R Talley
Attorney at Law
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*Jason Pennell
Kentucky Rural Water Association
Post Office Box 1424
1151 Old Porter Pike
Bowling Green, KENTUCKY 42102-1424

*Mary Ellen Wimberly
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*Nicholas County Water District
1639 Old Paris Road
Carlisle, KY 40311

*Monica Pryor
Office Manager
Nicholas County Water District
1639 Old Paris Road
Carlisle, KY 40311