

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION INTO THE)	CASE NO.
FINANCIAL AND OPERATING CAPACITY OF)	2023-00235
BLACK MOUNTAIN UTILITY DISTRICT)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO BLACK MOUNTAIN UTILITY DISTRICT

Black Mountain Utility District (Black Mountain 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 December 27, 2023. The Commission directs Black Mountain District to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ 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

¹ 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.

Black Mountain District shall make timely amendment to any prior response if Black Mountain 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 Black Mountain District fails or refuses to furnish all or part of the requested information, Black Mountain 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, Black Mountain 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. Explain how the line of credit from June 16, 2015, (Line of Credit # 5363200) was paid off on August 1, 2016.
2. Explain how line of credit from July 28, 2016, (Line of Credit #5395900) was paid off on August 31, 2017.
3. Provide the trial balance in Excel format with all formulas, rows, and columns fully accessible and unprotected for 2023 year to date.

4. Provide the starting date for each current commissioner.
5. Provide the fiscal court appointments for any commissioner appointed following the final Order entered on January 5, 2022, in Case No. 2021-00263.²
6. State whether there were any commissioners, apart from the current commissioners, who served on the board of commissioners after July 31, 2020. Provide the names, appointing authority and term length.
7. List all trainings attended for each of the current commissioners.
8. Provide documentation of any trainings attended by each commissioner, as well as any upcoming trainings each commissioner is scheduled to attend that have not yet been provided to the Commission.
9. Provide all written policies passed by the Board within the last 12 months.
10. Provide the most recent contract between Black Mountain District and the city of Evarts for the purchase of water.
11. Provide any information related actions by Black Mountain District to enforce the contract.
12. Explain how Black Mountain District plans to address Evarts' future water shortages, as it affects Black Mountain District.
13. Refer to Black Mountain District's response to the Commission's Order issued on October 9, 2023, Exhibit A, page 25.
 - a. Confirm that in July 2017 the approval for the renewal of the line of credit at Monticello Banking Company occurred at a Harlan County Fiscal Court meeting.

² Case No. 2021-00263, *An Electronic Investigation of a Possible Vacancy on the Board of Commissioners of Black Mountain Utility District* (Ky. PSC Jan. 5, 2022).

b. Confirm that the approval was granted for the county judge executive to execute all loan documents on behalf of Black Mountain District.

c. Explain why collateral from the Harlan County Fiscal Court was provided on behalf Black Mountain District.

d. Explain how the decision was made for Harlan County Fiscal Court to provide collateral on behalf of Black Mountain District, include any supporting documentation to substantiate the events.

14. Confirm that the principal balance of the line of credit was what was financed in the loan reference in Black Mountain District's response paragraph 1 in 2018.

15. Provide all monthly water loss reports from January 2023 to present. Consider this an ongoing request.

16. Provide the meter testing reports, leak detection reports and all Board minutes from January 2023 to present. Consider this an ongoing request.

17. Refer to Black Mountain District's response to the Commission's Order issued on October 9, 2023, paragraph 9. Explain how Black Mountain District reduced its water loss from 47.9 percent to 25 percent. Provide any supporting documentation, including reports, and calculations.

18. Refer to Black Mountain District's response to the Commission's Order issued on October 9, 2023, paragraph 9. Provide an estimated completion date for the qualified infrastructure improvement plan, comprehensive unaccounted for water loss reduction plan, and the detailed spending plan for the water loss surcharge. Provide these plans once completed. Consider this an ongoing request.

19. State when Black Mountain District plans to file their annual reports for years 2020, 2021, and 2022.

20. State whether the debt service surcharge funds used to pay for garbage bills have been returned to the debt service surcharge account.



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Public Service Commission
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DATED DEC 06 2023

cc: Parties of Record

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