

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GRAYSON COUNTY WATER)	
DISTRICT TO ISSUE SECURITIES IN THE)	
APPROXIMATE PRINCIPAL AMOUNT OF)	CASE NO.
\$1,170,000 FOR THE PURPOSE OF REFUNDING)	2019-00190
CERTAIN OUTSTANDING REVENUE BONDS OF)	
THE DISTRICT PURSUANT TO THE PROVISIONS)	
OF KRS 278.300 AND 807 KAR 5:001)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
TO GRAYSON COUNTY WATER DISTRICT

Grayson County Water District (Grayson District), pursuant to 807 KAR 5:001, is to file with the Commission the original and six copies in paper medium of the following information, with a copy to all parties of record. The information requested herein is due within ten days of the date of this request. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed.

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

Grayson District shall make timely amendment to any prior response if Grayson District obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Grayson District fails or refuses to furnish all or part of the requested information, Grayson 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, Grayson 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 the application, paragraph 5. Grayson District is reamortizing \$1,170,000, and the original principal of the prior bonds is \$1,350,000. Confirm the difference is principal that Grayson District has been paid. If this cannot be confirmed, explain how the remaining principal on the prior bonds will be financed.

2. Refer to the application, paragraph 6.
 - a. Confirm that Grayson District has not locked in an interest rate.
 - b. If confirmed, explain how the interest rates of the estimated savings for the proposed refunding were calculated.

c. Provide the most current published rates offered by the Kentucky Rural Water Finance Corporation (KRWFC).

3. Refer to the application, Exhibit A, the estimated debt service for the potential KRWFC Loan.

a. Confirm that Grayson District proposed refunding of the prior bonds consists of a series of notes with varying interest rates and lengths of term and not just a single note.

b. If confirmed, explain why the refinancing of the notes is a series of notes of varying interest rates and lengths of term and not just a single note.

4. Refer to the application, Exhibit C, the Debt Service Comparison. Provide a detailed calculation of the \$88,407 labeled Gross PV Debt Service Savings.



Gwen R. Pinson
Executive Director
Public Service Commission
P.O. Box 615
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DATED JUL 11 2019

cc: Parties of Record

Case No. 2019-00190

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