



Andy Beshear
Governor

Rebecca W. Goodman
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Michael J. Schmitt
Chairman

Robert Cicero
Vice Chairman

Talina R. Mathews
Commissioner

February 4, 2020

TRANSMITTED VIA E-MAIL

PARTIES OF RECORD

Re: *Electronic Application of Hyden-Leslie County Water District for Authorization to Enter a Short-Term Assistance Agreement with Kentucky Rural Water Finance Corporation to Refund Existing Loan and To Subsequently Enter a Long-term Assistance Agreement with the Kentucky Infrastructure Authority*
Case No. 2019-00412

Attached is a copy of a letter received via electronic mail from a representative of USDA Rural Development on January 31, 2020 to be filed in the record of the above-referenced case. If you have any questions, please contact Brittany H. Koenig, 502-782-2591.

Sincerely,

A handwritten signature in blue ink, appearing to read "KAC", written over a light blue horizontal line.

Kent A. Chandler
Executive Director

bhk



January 30, 2020

Michael J. Schmitt, Chairman
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Subject: PSC Case Number 2019-00412

Mr. Schmitt:

My name is Greg Pridemore, and I am a Field Specialist with USDA Rural Development. In 2013 I was located in our Hazard, KY office, which covered the area that includes the Hyden-Leslie County Water District.

With regards to the subject PSC Case Number, specifically as it addresses PSC Case Number 2013-00388, I offer the following information:

In 2013 I met at the office of the Hyden-Leslie County Water District (District) with District Manager Leighman Howard and Project Engineer Michael Maggard. The purpose of the meeting was to discuss a potential loan/grant application through USDA-Rural Development (RD) to extend waterlines into an unserved area of rural Leslie County.

At the meeting I was made aware that the project had already been bid and the contract awarded. I explained to Mr. Maggard and Mr. Howard our application process and requirements and made them aware that it would be very difficult to obtain RD funding at this stage in the project. I informed them that if they provided me with a complete application that we would review it for eligibility. I also advised that if they began construction prior to our approval that they would be proceeding at their own risk. I further advised Mr. Maggard and Mr. Howard that if the contractor began construction prior to environmental clearance from RD that RD would not be able to participate in the project. Mr. Howard indicated that an Environmental Report had been prepared and that it would be forwarded to me along with the application documents.

Although I do recall subsequent communication with the District and/or its representative, a full application was never received. No financial information was ever provided to RD so that underwriting could be completed. Also, no Environmental Report was ever provided.

As this happened several years ago, I cannot recall all the details of specific conversations with the District or its representatives. However, the District was made fully aware of the urgency to provide RD with application information if there was to be any possibility for receiving USDA-Rural Development financing.

Rural Development • Shelbyville Area Office
65 Breighton Blvd., Suite 3 • Shelbyville, KY 40065
Voice (502) 633-3294 Ext. 4 • Fax (855) 784-0871

USDA is an Equal Opportunity Lender, Provider and Employer.

If you need additional information, or if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Greg E. Pridemore". The signature is fluid and cursive, with a long horizontal stroke at the end.

Gregory E. Pridemore
Field Specialist

*Gerald E Wuetcher
Attorney at Law
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*Hyden-Leslie County Water District
356 Wendover Road
Hyden, KY 41749

*L.J. Turner
Hyden-Leslie County Water District
356 Wendover Road
Hyden, KY 41749