

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PROPOSED ACQUISITION BY)	
BLUEGRASS WATER UTILITY OPERATING)	
COMPANY, LLC AND THE TRANSFER OF)	
OWNERSHIP AND CONTROL OF ASSETS BY P.R.)	
WASTEWATER MANAGEMENT, INC., MARSHALL)	CASE NO.
COUNTY ENVIRONMENTAL SERVICES, LLC, LH)	2019-00104
TREATMENT COMPANY, LLC, KINGSWOOD)	
DEVELOPMENT, INC., AIRVIEW UTILITIES, LLC,)	
BROCKLYN UTILITIES, LLC, FOX RUN UTILITIES)	
LLC, AND LAKE COLUMBIA UTILITIES, INC.)	

ATTORNEY GENERAL'S INITIAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention (“Attorney General”), and submits these Initial Data Requests to the above-noted applicants in this matter (hereinafter “Joint Applicants”) to be answered by May 31, 2019, responding either jointly or individually and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate requested item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.
- (5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification

of the preparer or 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.

(6) If you believe any request appears confusing, please request clarification directly from undersigned Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the Joint Applicants have objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify the Office of the Attorney General as soon as possible, and in accordance with Commission direction.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books,

schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) “And” and “or” should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) “Each” and “any” should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

Andy Beshear
Attorney General



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Electronic Proposed Acquisition by Bluegrass Water Utility Operating Company, LLC. and the Transfer of Ownership and Control of Assets by P.R. Wastewater Management, Inc., Marshall County Environmental Services, LLC, LH Treatment Company, LLC, Kingswood Development, Inc., Airview Utilities, LLC, Brocklyn Utilities, LLC, Fox Run Utilities LLC, And Lake Columbia Utilities, Inc.

Case No. 2019-00104

Attorney General's Initial Data Requests

1. Provide the most-recent engineering studies regarding the underlying assets for each transaction.
2. Provide and explain the post-closing accounting entries for each of the Joint Applicants upon completion of the proposed transactions.
3. Provide the capitalization of Kentucky CSWR and Bluegrass Water UHC, LLC.
4. Provide all agreements between Bluegrass UOC, LLC and Bluegrass UCH, LLC, Kentucky CSWR, First Round CSWR, LLC or Central States Water Resources, Inc. regarding capitalization.
5. Provide the capitalization costs, both debt and equity, for Missouri UOCs and Arkansas UOCs.
6. Provide the capitalization policies, including the disposition of retained earnings and dividends for Missouri UOCs, Arkansas UOCs and the proposed policies regarding same for Bluegrass Water UOC, LLC.
7. Provide support for and explain the amounts listed for each acquired system in row "Total Plant in Service" in JA Exhibit N, page 1.
8. Provide support for and explain the amounts listed for each acquired system in row "Construction Work in Progress" in JA Exhibit N, page 1.
9. Provide support for and explain the amounts listed for each acquired system in rows: 1) "Operating and Maintenance Expenses," 2) "Depreciation and Amortization Expense," and 3) "Taxes, Other than Income Taxes" in JA Exhibit N, page 2.

Electronic Proposed Acquisition by Bluegrass Water Utility Operating Company, LLC. and the Transfer of Ownership and Control of Assets by P.R. Wastewater Management, Inc., Marshall County Environmental Services, LLC, LH Treatment Company, LLC, Kingswood Development, Inc., Airview Utilities, LLC, Brocklyn Utilities, LLC, Fox Run Utilities LLC, And Lake Columbia Utilities, Inc.

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10. For each purchase price of an acquired system that is equal to net book value, provide support for the net book value amount.
11. For each purchase price of an acquired system that is other than the net book value, state so.
12. Provide any current notice of violations issued by the Energy and Environment Cabinet or the Kentucky Division of Water to any of the Joint Applicants. Provide copies of each outstanding violation and state how the violations will be resolved.
13. State how the Joint Applicants will provide notice of the transfer of customers to Bluegrass UOC.
14. Provide any current notice of violations issued by the States of Missouri and Arkansas to Missouri UOCs and Arkansas UOCs, respectively.
15. Provide a copy of each of the Joint Applicant's whose system is to be acquired, most current balance sheet for a period ending not more than 90 days prior to the application date. The response(s) provided to DR 2, above, should be made to the balance sheet(s) provided in this response.
16. Provide an analysis of each of the Joint Applicant's whose system is to be acquired, current and long-term debts, including the lender's name, the date the debt was incurred, the original amount of the indebtedness, and the amount outstanding as of the date of the balance sheet provided in response to item 15.