

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LEVEE ROAD)
WATER ASSOCIATION, INC. FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND)
NECESSITY TO CONSTRUCT A SYSTEM)
IMPROVEMENTS PROJECT AND AN ORDER) Case No. 2021-00015
APPROVING A CHANGE IN RATES AND)
AUTHORIZING THE ISSUANCE OF SECURITIES)
PURSUANT TO KRS 278.023)

Response to Commission Staff's First Request for Information

Levee Road Water Association, Inc. ("Levee Road Water"), by Counsel, hereby files its Response to the Commission Staff's First Request for Information, dated January 28, 2021, as follows:

REQUEST 1: Refer to the Application, Exhibit D, Certificate of the President. The President of Levee Road Water certifies "That the rates of the Association shall produce the total revenue requirements set out in the engineering reports." Commission regulation 807 KAR 5:069, Section 2(6)(c), provides the proposed rates, if any, shall produce the total revenue requirements recommended in the engineering reports. Provide a copy of the billing analysis in Excel spreadsheet format with all formulas intact and unprotected and all rows and columns fully accessible, showing revenue at current rates and at proposed rates based on actual and forecasted water usage for the existing system for 12 months that supports the revenue requirement recommended in the Engineering Report and referenced by the President of Levee Road Water.

WITNESS: Artie Gibson, Levee Road Water Association, Inc.

RESPONSE 1: the requested Excel spreadsheet is attached as **Exhibit A** to this Response.

REQUEST 2: Provide a schedule in Excel spreadsheet format with all formulas intact and unprotected and all rows and columns fully accessible showing that Levee Road Water met the debt service coverage requirements of its lenders in calendar years 2017, 2018 and 2019.

WITNESS: Artie Gibson, Levee Road Water Association, Inc.

RESPONSE 2: the requested debt service coverage calculations are attached as **Exhibit B** to this Response.

REQUEST 3: Provide a schedule in Excel spreadsheet with all formulas intact and unprotected and all rows and columns fully accessible format showing that Levee Road Water will meet the debt service coverage requirements of its lenders (existing and proposed long-term debt) for the three years following the completion of its proposed construction project. Include all calculations, assumptions (customer growth and increases in operation expenses), and workpapers used by Levee Road Water in its response.

WITNESS: Artie Gibson, Levee Road Water Association, Inc.

RESPONSE 3: the requested future debt service coverage calculations are attached as **Exhibit C** to this Response.

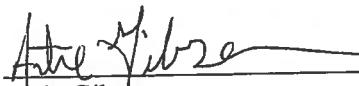
REQUEST 4: Provide a schedule in Excel spreadsheet format with all formulas intact and unprotected and all rows and columns fully accessible showing Levee Road Water's debt service coverage (existing and proposed long-term debt), including full recovery of its depreciation expense (existing plant and the completed project) for the three years following the completion of its proposed construction project. Include all calculations, assumptions (customer growth and increases in operation expenses), and workpapers used by Levee Road Water in its response.

WITNESS: Artie Gibson, Levee Road Water Association, Inc.

RESPONSE 4: the requested future debt service coverage calculations (full depreciation recovery) are attached as **Exhibit D** to this Response.

Certification of Responses to Commission Staff's First Request for Information


I hereby certify that I have supervised the preparation of the Responses to the Commission Staff's First Request for Information. This information provided in the Responses is true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.



Artie Gibson
Levee Road Water Association, Inc.

The undersigned has prepared this Response as Counsel to and on behalf of the Levee Road Water Association, Inc., a governmental agency, and hereby certifies that this Response is true and accurate to the best of the undersign's knowledge, information and belief formed after a reasonable inquiry.

Respectfully Submitted:
Rubin & Hays

By 
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CERTIFICATE OF SERVICE

The undersigned, in accordance with 807 KAR 5:001, Section 8, hereby certifies that Levee Road Water Association, Inc.'s electronic filing of the foregoing Response is a true and accurate copy of the same document being filed in paper medium; that the electronic filing was transmitted to the Kentucky Public Service Commission on February 2, 2021; that there are currently no parties that the Kentucky Public Service Commission has excused from participation by electronic means in this proceeding; and that this Response in paper medium will be delivered to the offices of the Kentucky Public Service Commission in Frankfort, Kentucky in accordance with the mandates set forth in the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085.

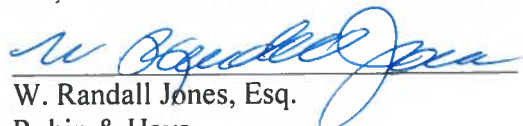

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EXHIBIT A

Billing Analysis in Excel Format
(filed separately)

EXHIBIT B

Debt Service Coverage - 2017, 2018 and 2019
(filed separately)

EXHIBIT C

Debt Service Coverage - 2022, 2023 and 2024
(filed separately)

EXHIBIT D

Debt Service Coverage - 2022, 2023 and 2024
(full depreciation expense recovery)
(filed separately)