

COMMONWEALTH OF KENTUCKY

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC APPLICATION OF NORTH MERCER)
 WATER DISTRICT FOR A CERTIFICATE)
 OF PUBLIC CONVENIENCE AND)
 NECESSITY TO CONSTRUCT A SYSTEM) Case No. 2021 - 00317
 IMPROVEMENTS PROJECT AND AN ORDER)
 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

The Applicant, North Mercer Water District ("North Mercer District"), by Counsel, files this Response to the August 19, 2021 Commission Staff's First Request for Information as follows:

Responding Witness to all Requests: Mischell Lee, North Mercer District Manager.

Request No. 1. Provide a schedule in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible showing that North Mercer District will meet the debt service coverage requirements of its lenders (existing and proposed long-term debt) for the three years following completion of its proposed construction project. Include all calculations, assumptions (customer growth and increases in operating expenses), and workpapers used by North Mercer District in its response.

Response No. 1. See attached **Exhibit "A"**.

Request No. 2. Provide a schedule in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible showing North Mercer District'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 completion of its proposed construction project. Include all calculations, assumptions (customer growth and increases in operating expenses), and workpapers used by North Mercer District in its response.

Response No. 2. See attached **Exhibit "A"**.

Request No. 3. Provide copies of the following and, when appropriate, provide in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible: The general ledger and trial balance for the calendar years 2020 and 2021 to date.

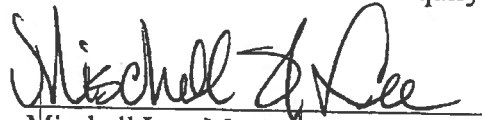
Response No. 3. See attached **Exhibit "B"**. Please be advised that due to the age of North Mercer District's computer system, the general ledgers and trial balances are only available in .pdf format.

Request No. 4. Provide a three-year projected average debt service coverage calculation including all current debt of North Mercer District, including the financing approved in this case using the table below.


Response No. 4. See attached **Exhibit "A"**.

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

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


Mischell Lee, Manager

Respectfully Submitted,
Rubin & Hays

By 
W. Randall Jones, Esq.
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CERTIFICATE OF SERVICE

The undersigned, in accordance with 807 KAR 5:001, Section 8, hereby certifies that North Mercer Water District's electronic filing of the foregoing Response is a true and accurate copy of the document being electronically filed and transmitted to the Kentucky Public Service Commission on September 27, 2021; that there are currently no parties that the Kentucky Public Service Commission has excused from participation by electronic means in this proceeding.

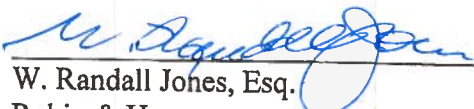

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EXHIBIT A

Commission Staff's Requested Debt Service
Coverage Calculations are being filed as a separate
document

EXHIBIT B

General Ledger and Trial Balances are being filed as separate documents