

ELECTRONIC APPLICATION OF BLUEGRASS WATER UTILITY OPERATING
COMPANY, LLC FOR ISSUANCE OF EVIDENCES OF INDEBTEDNESS
CASE NO. 2022-00217

BLUEGRASS WATER UTILITY OPERATING COMPANY, LLC'S RESPONSES TO THE
COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

REQUEST NO. 1: Refer to the Application, paragraph 18. Provide the most current interest rates that would be available to Bluegrass Water.

RESPONSE: The provided term sheet outlines the option for a calculation for interest that is equal to the daily Secured Overnight Financing Rate (SOFR) plus 1.75%. The final rate is subject to the actual daily SOFR at closing, but the SOFR as of 9/1/2022 was equal to 2.29% (<https://www.newyorkfed.org/markets/reference-rates/sofr>) leading to a calculated interest rate of 4.04%.

Witness: Brent Thies