

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF SOUTH)	
WOODFORD COUNTY WATER DISTRICT)	
FOR AUTHORIZATION TO EXECUTE AN)	
ASSISTANCE AGREEMENT WITH THE)	CASE NO. 2023-00322
KENTUCKY INFRASTRUCTURE)	
AUTHORITY AND FOR A CERTIFICATE OF)	
PUBLIC CONVENIENCE AND NECESSITY)	
FOR CERTAIN SYSTEM IMPROVEMENTS)	

RESPONSE TO NOTICE OF FILING DEFICIENCIES

South Woodford County Water District (“the District”) responds to the filing deficiencies identified in the letter of February 1, 2024 of the Commission’s Executive Director.

Pump Station Plans’ Compliance with KRS 322.340. Filed separately with this Notice is a revised copy of the plans for the proposed pump station (Exhibit 18 to the Application). The Project Engineer, who is an engineer registered in Kentucky, has signed, sealed, and dated each page of the plans.

Financial Exhibit. In her letter of February 1, 2023, the Executive Director states that a “detailed income statement was not provided in Exhibit 27” and therefore failed to satisfy 807 KAR 5:001, Section 12(2)(i). While Exhibit 27 does not contain a detailed income statement, the District provided as **Exhibit 31** to its Application a copy of its most recent annual report on file with the Commission. This report contains a detailed income statement and balance sheet for the twelve-month period ending December 31, 2022. In addressing the requirement for a financial exhibit, Paragraph 52 of the Application specifically refers to Exhibit 31.

Since the amendment of 807 KAR 5:001, Section 12 in 2014,¹ the Commission has consistently accepted the use of a utility's most recently filed annual report as a financial exhibit provided that utility had less than \$5,000,000 in gross annual revenue in the immediate past calendar year and the application contains a statement that no material changes have occurred since the end of that twelve (12) month period reflected in the utility's most recently filed annual report.² Paragraph 52 of the Application specifically addresses those requirements.

Notwithstanding Paragraph 52 of the Application, the District provides the following information to satisfy the requirements of 807 KAR 5:001, Section 12 and Section 18(2):

1. In the immediate past calendar year (the twelve-month period ending December 31, 2023), the District had less than \$5,000,000 in gross annual revenues;
2. The District's most recent annual report on file with the Commission is for the twelve-month period ending December 31, 2022;
3. No material changes in District's operations have occurred since December 31, 2022;

¹ 40 Ky. Admin. Reg. 686, 690 (Sept. 2013) (creating an exception to financial exhibit requirement for utilities with gross annual revenues of less than \$5,000,000); 40 Ky. Admin. Reg. 1109, 113 (final version of amended regulation).

² See, e.g., *Electronic Application of Knox County Utility Commission for Authorization to Execute An Assistance Agreement with the Kentucky Infrastructure Authority and for A Certificate of Public Convenience and Necessity to Construct the Barbourville Connection-KY 225 Project*, Case No. 2023-00003 (Ky. PSC filed Jan. 30, 2023); *Electronic Application of McCreary County Water District for Authorization to Execute A Supplemental Assistance Agreement with the Kentucky Infrastructure Authority to Increase the Amount Borrowed Under An Existing Assistance Agreement and for Approval of Changes To A Plan of Construction*, Case No. 2022-00247 (Ky. PSC filed Aug. 18, 2022); *Electronic Application of Morgan County Water District for the Issuance of A Certificate of Public Convenience and Necessity to Construct A Water System Improvements Project and An Order Authorizing the Issuance of Securities Pursuant to the Provisions of KRS 278.020, KRS 278.300, and 807 KAR 5:001*, Case No. 2022-00245 (Ky. PSC filed Aug. 9, 2022); *Electronic Application of the Adair County Water District for the Issuance of A Certificate of Public Convenience and Necessity to Construct A Water System Improvements Project and An Order Authorizing the Issuance of Securities Pursuant to the Provisions of KRS 278.020, KRS 278.300 and 807 KAR 5:001*, Case No. 2021-00176 (Ky. PSC Apr. 27, 2021); *Electronic Application of the Adair County Water District for the Issuance of A Certificate of Public Convenience and Necessity to Construct Sewer System Improvements Project and An Order Authorizing the Issuance of Securities Pursuant to the Provisions of KRS 278.020, KRS 278.300 and 807 KAR 5:001*, Case No. 2021-00156 (Ky. PSC Apr. 14, 2021).

4. The District has no authorized, issued or outstanding stock as of this date (807 KAR 5:001, Section 12(2)(a)-(c));

5. The District does not have any outstanding mortgages (807 KAR 5:001, Section 12(2)(d));

6. The information that 807 KAR 5:001, Section 12(2)(e) requires is found in **Exhibit 31** of the District's Application;

7. The District does not have any outstanding notes or other indebtedness as of this date (807 KAR 5:001, Section 12(2)(f)-(g));

8. The District has not paid any dividends in the five previous fiscal years (807 KAR 5:001, Section 12(2)(h); and,

9. A detailed income statement and balance sheet are found in **Exhibit 31** of the District's Application (807 KAR 5:001, Section 12(2)(h)).

WHEREFORE, the District requests that the Commission find the deficiencies noted in the letter of February 1, 2024 as cured and accept the Application for filing as the filing of this Notice.

Dated: February 5, 2024

Respectfully submitted,



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CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, and the Public Service Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on February 5, 2024 and that there is currently no party that the Public Service Commission has excused from participation by electronic means in this proceeding.


Counsel for South Woodford County Water District