

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY-)	
AMERICAN WATER COMPANY FOR ISSUANCE)	CASE NO.
OF INDEBTEDNESS AND CONTINUED)	2019-00083
PARTICIPATION WITH AMERICAN WATER)	
CAPITAL CORP. PURSUANT TO KRS 278.300)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO
KENTUCKY-AMERICAN WATER COMPANY

Kentucky-American Water Company (Kentucky-American), pursuant to 807 KAR 5:001, is to file with the Commission the original in paper medium and an electronic version of the following information. The information requested is due within ten days of the date of this request. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, 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.

Kentucky-American shall make timely amendment to any prior response if it obtains information that indicates that the response was incorrect when made or, though

correct when made, is now incorrect in any material respect. For any request to which Kentucky-American fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Kentucky-American shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to Kentucky-American's Application (Application), paragraph 10, which states, "The proceeds from this financing will be used to refinance short-term debt necessary to (i) fund construction expenditures, and (ii) meet other internal cash requirements."

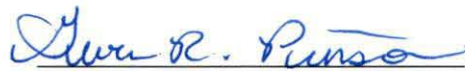
a. List and describe each construction expenditure for which Kentucky-American intends to use proceeds from the financing. This description should include the project name and the project cost.

b. Identify and describe the "other internal cash requirements" for which the proceeds will be used.

2. Refer to the Application, paragraph 11, which states that Kentucky-American expects to receive an infusion of \$10,000,000 from American Water Works

Company, Inc. (American Water), between 2019 and 2021 in the form of paid-in-capital equity. Explain in detail how Kentucky-American will use the American Water capital infusion.

3. Provide all studies, analyses, reports, and reviews that compare Kentucky-American's cost for the proposed financing as a participant in the borrowing program with American Water Capital Corp. to Kentucky-American borrowing directly from third parties. If no studies have been conducted, explain why Kentucky-American's continued participation is more cost-effective than obtaining the proposed financing from a third party.



Gwen R. Pinson
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Public Service Commission
P.O. Box 615
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DATED APR 01 2019

cc: Parties of Record

Case No. 2019-00083

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