

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF MCCREARY)	
COUNTY WATER DISTRICT FOR)	
AUTHORIZATION TO EXECUTE AN)	
ASSISTANCE AGREEMENT WITH THE)	
KENTUCKY INFRASTRUCTURE AUTHORITY)	CASE NO.
AND FOR A CERTIFICATE OF PUBLIC)	2020-00399
CONVENIENCE AND NECESSITY TO)	
CONSTRUCT THE SANITARY SEWER)	
COLLECTION SYSTEM EXPANSION PHASE)	
1 PROJECT)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO MCCREARY COUNTY WATER DISTRICT

McCreary County Water District (McCreary District), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due within 14 days of the date of this request. Pursuant to the Commission's Orders in Case No. 2020-00085,¹ issued March 16, 2020, and March 24, 2020, McCreary District SHALL NOT FILE the original paper copy of all requested information at this time, but rather shall file original paper copies within 30 days of the lifting of the current state of emergency. All responses 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.

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

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 the 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.

McCreary District shall make timely amendment to any prior response if McCreary District obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which McCreary District fails or refuses to furnish all or part of the requested information, McCreary District shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that 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, McCreary District 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 the Application, paragraph 9. McCreary District states that its proposed construction project includes the installation of 240 grinder pump stations.

However, Exhibit 3 of the Application, page 1 states that the plans include the installation of 414 grinder pump stations. Additionally, paragraph 9 states that the number of additional sewer customers will be approximately 305. Provide an explanation for the discrepancy between these figures.

2. Refer to the Application, paragraph 9. McCreary District states that the project will add approximately 305 new sewer customers.

a. Provide a detailed explanation of how the estimate of 305 new sewer customers was determined.

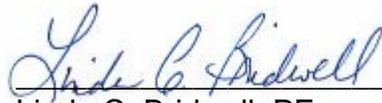
b. Provide the number of customers in the project area that have contracted for service from McCreary District.

3. Provide a schedule in Excel spreadsheet format with all formulas unprotected and all rows and columns fully accessible with the calculation of McCreary District's debt service coverage using the coverage method most commonly accepted by the Commission for its sewer division for the calendar years 2017, 2018, and 2019.

4. Provide a schedule in Excel spreadsheet format with all formulas unprotected and all rows and columns fully accessible with calculations that show whether McCreary District's sewer division will meet the debt service coverage requirements of its lenders (existing and proposed long-term debt) for the three years following the estimated completion of its proposed construction project absent an increase to McCreary District's base sewer rates. Include all calculations, assumptions (customer growth and increases in operating expenses), and workpapers used by McCreary District in its response.

5. Provide a schedule in Excel spreadsheet format with all formulas unprotected and all rows and columns fully accessible with calculations showing the debt

6. service coverage for McCreary District's sewer division (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 operating expenses), and workpapers used by McCreary District in its response.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED FEB 05 2021

cc: Parties of Record

Case No. 2020-00399

*Gerald E Wuetcher
Attorney at Law
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*Kathy Troxell
McCreary County Water District
P.O. Box 488
Whitley City, KY 42653

*McCreary County Water District
Highway 27
P. O. Box 488
Whitley City, KY 42653

*Stephen Whitaker
Superintendent
McCreary County Water District
P.O. Box 488
Whitley City, KY 42653