

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF SOUTH LOGAN)	
WATER ASSOCIATION, INC. FOR A)	
CERTIFICATE OF PUBLIC CONVENIENCE AND)	CASE NO.
NECESSITY TO CONSTRUCT, FINANCE, AND)	2022-00103
INCREASE RATES PURSUANT TO THE)	
PROVISIONS KRS 278.023)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO SOUTH LOGAN WATER ASSOCIATION

South Logan Water Association (South Logan Water), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on May 20, 2022. The Commission directs South Logan Water to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

South Logan Water shall make timely amendment to any prior response if South Logan Water 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 South Logan Water fails or refuses to furnish all or part of the requested information, South Logan Water 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, South Logan Water shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Provide a schedule in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible showing that South Logan Water will meet the debt service coverage requirements of its lenders (existing and proposed long-term debt) 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 South Logan Water in its response.

2. Provide a schedule in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible showing South Logan Water’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 the completion of its proposed construction project. Include all calculations, assumptions (customer growth and increases in operating expenses), and workpapers used by South Logan Water in its response.

3. Provide a three-year projected average debt service coverage calculation including all current debt of South Logan Water and the financing approved in this case using the table below.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Fees</u>	<u>Total</u>
2023				\$ -
2024				-
2025				-
3-Year Total				-
Divide By: 3 Years				<u>3</u>
Average Debt Service Coverage				<u><u>\$ -</u></u>

4. Commission regulation 807 KAR 5:069, Section 2(6)(c), provides that the proposed rates, if any, shall produce the total revenue requirements recommended in the engineering reports. Provide a copy of the Billing Analysis in Excel spreadsheet format, with all formulas, rows, and columns unprotected and fully accessible, showing revenue at current rates and at proposed rates based on actual and forecasted water usage for the existing system for 12 months as contained in the Kentucky Guide 7 Summary

Addendum that was provided to the United States Department of Agriculture Rural Development.

5. Refer to South Logan Water's 2020 Annual Report, page 57, line 21, which indicates that South Logan Water's total water loss percentage is 23.70 percent.

a. Provide a comprehensive description of South Logan Water's efforts to reduce water loss.

b. Provide the anticipated reduction to water loss, if any, that will be the result of the proposed project.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
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DATED APR 27 2022

cc: Parties of Record

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