COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BRONSTON)WATER ASSOCIATION, INC. FOR A)CERTIFICATE OF PUBLIC CONVENIENCE AND)NECESSITY TO CONSTRUCT A SYSTEM)IMPROVEMENTS PROJECT AND AN ORDER)AUTHORIZING THE ISSUANCE OF SECURITIES)PURSUANT TO KRS 278.300)

CASE NO. 2024-00076

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO BRONSTON WATER ASSOCIATION, INC

Bronston Water Association, Inc (Bronston Water), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on June 6, 2024. The Commission directs Bronston 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

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).

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.

Bronston Water shall make timely amendment to any prior response if Bronston Water obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Bronston Water fails or refuses to furnish all or part of the requested information, Bronston 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 and scanned 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, Bronston 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. Refer to the Application, Exhibit D, KIA conditional commitment letters, and Attachment B, executive summary and credit analysis, paragraph IX, regarding debt obligations. Provide the current debt amortization schedules for all the outstanding debt obligations as well as for the proposed loan.

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2. Refer to the Application, Exhibit B, stating that the Project will also include the installation of 1,180 radio read meters.

a. Provided an itemized breakdown of any differences in operation and maintenance costs for the new proposed meters with the DIALOG 3G AMR System as compared to continuing to operate the old meters, and explain how differences in the operation and maintenance expense were calculated.

b. Provide the estimated useful life of the proposed meters.

c. Provide the estimated remaining useful life of the meters being replaced.

d. Explain how Bronston Water determined that the proposed meters were the reasonable least cost option if no other meters were considered, and provide any calculations or comparison that were completed in making the determination.

e. State where the purchase of the new meters and the installation of the new meters are reflected in the Final Budget.

f. Provide an itemized breakdown of the cost of purchasing and installing the new meters.

g. State if the purchase and installation of the new meters is included in the Bid Tabulations, and if so identify the line item.

3. Explain Bronston Water's reasoning for selecting the meter model it did, including any cost justifications or operational concerns that lead Bronston Water to select the model it chose.

a. State when the meters being replaced were last tested.

b. State why all the meters must be replaced at once.

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c. Explain what Bronston Water intends to do with any remaining undepreciated value of the meters being replaced.

d. State what Bronston Water intends to do with the meters being replaced once they are removed from the system.

4. Refer to the Application, Exhibit B, regarding the water line replacement project.

a. Provide operation and maintenance savings, if any, from the installation of proposed water lines, and explain how those savings were calculated.

b. Provide the percentage that Bronston Water expects water loss to be reduced by the replacement of the proposed water lines.

5. Refer Bronston Water's response to Commission Staff's First Request for Information (Staff's First Request), Item 14. State if Bronston Water has replaced 200 meters per year since 2018, and if so, state why Bronston Water still needs to replace 1,180 meters at this time.

6. Provide a legible copy of Exhibit Response 15 provided in response to Staff's First Request, Item 15.

7. Given the revised proposed debt increase of the \$625,420 loan, confirm whether Bronston Water still believes that a rate increase is not required. If the answer is no, explain why.

8. State when Bronston Water projects that its 2022 financial audit will be complete. If the 2022 financial audit is compete, provide a copy.

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Sidwell

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

DATED _____ MAY 24 2024

cc: Parties of Record

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