

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF NORTHERN	)	
KENTUCKY WATER DISTRICT FOR A	)	
CERTIFICATE OF PUBLIC CONVENIENCE AND	)	CASE NO.
NECESSITY FOR THE CONSTRUCTION OF SUB	)	2025-00243
DISTRICT O WATER MAIN EXTENSION,	)	
FINANCING AND SURCHARGE	)	

COMMISSION STAFF’S FIRST REQUEST FOR INFORMATION  
TO NORTHERN KENTUCKY WATER DISTRICT

Northern Kentucky Water District (Northern Kentucky District), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on September 12, 2025. The Commission directs Northern Kentucky District to the Commission’s July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> 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

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<sup>1</sup> 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).

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.

Northern Kentucky District shall make timely amendment to any prior response if Northern Kentucky District 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 Northern Kentucky District fails or refuses to furnish all or part of the requested information, Northern Kentucky 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 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, Northern Kentucky 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. In Application paragraph 9 there is a reference to Exhibits A-1 through A-7. The Application does not include Exhibits A-6 or A-7. Provide Exhibits A-6 and A-7 or state if the reference was made in error.

2. Application Exhibit D states that \$1,326,785 of the funding for the project will come from future Bond Anticipation Note (BAN) as part of District's Five-Year Capital Budget which includes a \$297,0000 customer contribution.

a. State the anticipated term of the BAN

b. If the BAN is expected to have a term of more than 2 years state if Northern Kentucky District is seeking authorization for the BAN pursuant to KRS 278.300, and if not state why that is not required.

c. State how Northern Kentucky District intends to refinance the BAN at the end of its term.

3. State if any alternatives were considered regarding pipe materials selected, construction methods, or routes for the project.

a. For each alternative, state why the current proposal was chosen over the alternative with a focus on capital costs, operation and maintenance cost, time of the project, and any other factors Northern Kentucky District considered.

b. If no alternatives were considered, state why.

4. State how bids were solicited. If through publication, provide a copy of the publication and a copy of the full page from the publication on which the solicitation was included.

5. Refer to the Application, Exhibit D, Project Finance Information, Customers Added and Revenue Effect. Northern Kentucky District stated that there is potential for 61 new customers, 33 of which have requested service.

a. If the Northern Kentucky Water District secures new customers at a rate that exceeds initial projections, explain will the total project cost of \$297,000 be

recovered prior to the scheduled 25-year term? If so, what is the protocol for the cessation of the \$30 monthly surcharge for new connections?

b. Provide the total projected savings and revenues as a result of the project.

6. Refer to the Application, Exhibit A-2, Engineer's Opinion of Probable Total Construction Costs which states that the total estimated costs with 10 percent contingencies are approximately \$6 million.

a. Explain the twenty percent difference between the Northern Kentucky District total project budget summary of \$4,826,785 and the engineer's opinion which is approximately \$5,912,850 with respect to other bidders' prices which have small differences.

b. Confirm if the bidder is responsible for the price increase in the original contract for unforeseen conditions or if the project cost increase is probable in the future.

7. Refer to the Application, Exhibit D, Project Finance Information, State the useful life of the project after being in service and the estimated annual maintenance cost.

8. Refer to the Application, Exhibit D, Project Finance Information. Northern Kentucky District stated its annual debt service after construction is expected to be \$84,930.11 over 25 years, from a conventional 4 percent loan. However, Northern Kentucky District stated that the project would be funded using Cleaner Water program (CWP) grant funds in the amount of \$1,100,000, Kenton County ARPA funds in the amount of \$2,400,000, and the remaining \$1,326,785 would be funded through a future

Bond Anticipation Note, which includes a customer contribution of \$297,000. Confirm that "PSC No. 291" is referring to PSC Case No. 2018-00291. If not confirmed, explain.



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Executive Director  
Public Service Commission  
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DATED **SEP 05 2025**

cc: Parties of Record

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