

DATA INFORMATION REQUEST
Confluence Rivers Utility Operating Company, Inc.
WR-2023-0006
General Rate Case

Requested From: Confluence Rivers

Date Requested: April 24, 2023

Information Requested:

In response to OPC Data Request No. 3013, Confluence indicated that CoBank concluded that Confluence's cash flows supported \$7 million debt refinancing. Did Confluence request CoBank to specify the maximum amount of debt financing Confluence's cash flows would support? If so, please provide documentation/analysis that shows the maximum amount of debt Confluence could have borrowed. If not, why not?

Requested By: David Murray

Information Provided:

CoBank communicated its covenant requirements, and it was determined that under current (trailing) conditions, the Company could support up to \$7mm of debt and meet the lender's requirements. The CoBank debt allowed Confluence Rivers to refinance its higher interest rate debt. During the loan negotiations, Confluence Rivers estimated its net loss to be approximately \$600K in 2023 and, depending on the outcome of the current rate case proceedings, Confluence plans to revisit the debt markets in late 2023/early 2024.

Responsible Witness: Aaron Silas