

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTHERN WATER AND)
SEWER DISTRICT FOR AN ADJUSTMENT IN) CASE NO. 2012-00309
RATES PURSUANT TO THE ALTERNATIVE RATE)
FILING PROCEDURE FOR SMALL UTILITIES)

ORDER

Southern Water and Sewer District ("Southern District") has applied for a rate adjustment pursuant to 807 KAR 5:076. In its application, it requests a deviation from 807 KAR 5:076, Section 8, which requires that the test period used to determine the reasonableness of the proposed rates must coincide with the reporting of the applicant's annual report for the "immediate past year."¹ As Southern District submitted the application to the Commission on August 8, 2012, the annual report for "immediate past year" is the annual report for the calendar year ending December 31, 2011. Southern District has used the calendar year ending December 31, 2010 as its proposed test period.

In support of its request, Southern District states that Commission Staff provided assistance in preparing its application and that this assistance occurred over an

¹ 807 KAR 5:076, Section 1(2) provides:

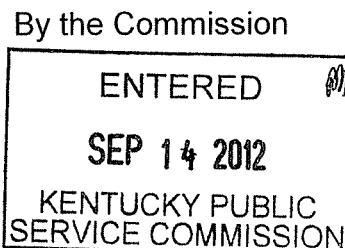
"Annual report for the immediate past year" means an annual report that covers the applicant's operations for either: (a) The calendar year period prior to the year in which the applicant's application for rate adjustment is filed with the commission; or (b) The most recent calendar year period that 807 KAR 5:006, Section 3(1), requires the applicant to have on file with the Commission as of the date of the filing of its application for rate adjustment.

extended period beginning in mid-2011. Southern District did not complete and submit its most recent annual report until June 11, 2012, when the utility's effort to prepare its application was nearly completed. Southern District states that to comply with 807 KAR 5:076, Section 8, would require it to begin the application process anew, would delay a needed adjustment of rates several months, and would not greatly assist in any review of the proposed rates.


Having considered the request and being otherwise sufficiently advised, the Commission finds that good cause exists to permit Southern District to deviate from 807 KAR 5:076, Section 8.

IT IS THEREFORE ORDERED that:

1. Southern District's request for a deviation is granted.
2. Southern District is permitted to deviate from 807 KAR 5:076, Section 8.
3. Southern District's application for rate adjustment is considered filed as of the date of this Order.



ATTEST:


Executive Director

Hubert Halbert
Chairman
Southern Water & Sewer District
245 Kentucky Route 680
P. O. Box 610
McDowell, KY 41647