

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WESTERN FLEMING)	CASE NO.
COUNTY WATER DISTRICT FOR RATE)	2014-00048
ADJUSTMENT FOR SMALL UTILITIES)	
PURSUANT TO 807 KAR 5:076)	

ORDER

Western Fleming County Water District (“Western Fleming District”) has advised the Commission of its acceptance of the amount of the revenue increase, the allocation to the rate classes, and the design of the proposed rates set forth in the Commission Staff Report issued July 28, 2014 (“Staff Report”).

Western Fleming District did not provide written notice regarding its position on Commission Staff’s recommendation to change the service lives of certain water assets. Pursuant to Ordering Paragraph 5 of the Procedural Order issued on May 20, 2014, Western Fleming District’s failure to file written objections to a recommendation contained in the Staff Report by August 12, 2014, is deemed to be an agreement with the recommendation.

Western Fleming District also did not indicate if this matter could be submitted for a decision based upon the existing record without a hearing.

The Commission, on its own motion, HEREBY ORDERS that:

1. Within 14 days of the date of this Order, Western Fleming District shall follow the notice requirements of 807 KAR 5:076, Section 5. The customer notice shall be in the format set forth in the Appendix to this Order.

2. Western Fleming District shall provide proof of publication of the notice to the Commission no later than September 29, 2014.

3. An informal conference shall be held in this matter on Monday, September 29, 2014, at 9 a.m. Eastern Daylight Time, at the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.

4. The informal conference scheduled in this matter for August 26, 2014, is cancelled.

5. Unless all parties request that this matter be submitted for a decision based upon the existing record, a formal hearing shall be held in this matter on Tuesday, October 7, 2014, at 10 a.m. Eastern Daylight Time, at the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.

6. Each party shall file with the Commission, no later than September 29, 2014, a list of the persons it intends to call as witnesses at the scheduled hearing and a summary of each witness's expected testimony.

8. Western Fleming District shall publish notice of the scheduled hearing in accordance with 807 KAR 5:076, Section 12, no more than 21 days and no less than seven days before the day of the scheduled hearing.

9. At any hearing in this matter, neither opening statements nor summarization of written testimony shall be permitted.

10. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9)(a), the record of the formal hearing in this matter shall be by videotape.

11. Commission Staff shall prepare a written list of all exhibits presented at the hearing and shall file this list, with all hearing exhibits, and a copy of the video transcript of the hearing with the Commission.

12. Any motion to intervene shall be filed no later than 30 days after initial publication or mailing of the customer notice of rate change.

By the Commission

ENTERED
AUG 18 2014
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00048 **AUG 18 2014**

NOTICE TO THE CUSTOMERS OF
WESTERN FLEMING COUNTY WATER DISTRICT

On February 14, 2014, Western Fleming County Water District ("Western Fleming District") applied to the Kentucky Public Service Commission ("PSC") for authority to adjust its rates for water service to wholesale customers. The initial proposed effective date of the requested rate adjustment was March 19, 2014. After performing a review of Western Fleming District's application and records, the PSC Staff has recommended to the PSC that Western Fleming District adjust its rates for both retail and wholesale customers. The tables below reflect the present retail rates, the retail rates proposed by the PSC Staff, the wholesale rates originally proposed by Western Fleming District, and the wholesale rates proposed by the PSC Staff:

Monthly Water Rates

Retail Customers

<u>5/8" X 3/4" Meter</u>	<u>Present Rates</u>	<u>PSC Staff Proposed Rates</u>	<u>\$ change</u>	<u>% Change</u>
First 1,000 Gallons	\$11.36 Minimum Bill	\$15.01 Minimum Bill	\$3.65	32%
Next 6,000 Gallons	\$ 5.94 per 1,000 Gallons	\$ 8.74 per 1,000 Gallons	\$2.80	47%
Next 3, 000 Gallons	\$ 5.10 per 1,000 Gallons	\$ 7.16 per 1,000 Gallons	\$2.06	40%
All over 10,000 Gallons	\$ 3.43 per 1,000 Gallons	\$ 5.69 per 1,000 Gallons	\$2.26	66%

Wholesale Customers

<u>Wholesale Customer</u>	<u>Rates Western Fleming District Proposed</u>	<u>PSC Staff Proposed Rates</u>
	\$2.743 per 1,000 Gallons	\$1.63 per 1,000 Gallons

The monthly water bill for the average retail customer using 5,000 gallons of water monthly will increase from \$35.12 to \$49.97, or 42%.

A person may examine the rate application at the offices of the Western Fleming District located at 1500 Ewing Road, Ewing, Kentucky 41039.

A person may examine the application at the PSC's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Commission's Web site at <http://psc.ky.gov>.

A copy of the PSC Staff report can be found at:
http://psc.ky.gov/PSCSCF/2014%20cases/2014-00048/20140728_%20PSC%20Notice%20of%20Filing%20Staff%20Report.pdf

Pursuant to the PSC's Order of July 28, 2014, in Case No. 2014-00048, Western Fleming District has requested that the PSC approve the PSC Staff proposed rates.

Any person may submit comments on the proposed rates. Comments shall be in writing and shall be submitted to the Executive Director, Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602. Comments may also be submitted by electronic mail to psc.info@ky.gov. If the Commission does not receive any objections or requests for intervention establishing the grounds for the request including the status and interest of the party or requests for hearing in this matter within thirty (30) days of initial publication or mailing of the notice, the commission may take final action on the application and shall proceed to render a decision in the matter.