COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WESTERN FLEMING COUNTY WATER DISTRICT FOR RATE ADJUSTMENT FOR SMALL UTILITIES PURSUANT TO 807 KAR 5:076

CASE NO. 2014-00048

<u>ORDER</u>

On February 14, 2014, Western Fleming County Water District ("WFCWD") tendered its application for an adjustment of its rates for service ("Application") pursuant to the procedures set forth in 807 KAR 5:076. After WFCWD filed two supplements to its Application to correct several deficiencies,¹ its Application was accepted for filing on April 28, 2014. Finding that a procedural schedule should be established to ensure the orderly review of WFCWD's Application, the Commission HEREBY ORDERS² that:

1. No later than July 29, 2014, Commission Staff shall file with the Commission and serve upon all parties of record a written report containing its findings and recommendations regarding WFCWD's requested rate adjustment.

2. No later than August 12, 2014, or 14 days after the date of the filing of the Commission Staff Report, whichever occurs earlier, each party of record shall file with the Commission:

¹ WFCWD's Response to the Kentucky Public Service Commission's Letter of Filing Deficiencies (filed Apr. 3, 2014) and WFCWD's Supplement to its Application for Rate Adjustment (filed Apr. 28, 2014).

² No action is necessary to suspend the effective date of WFCWD's proposed rates for general water service. Pursuant to 807 KAR 5:076, Section 7(1), an applicant who applies for a rate adjustment pursuant to the procedures set forth in 807 KAR 5:076 may not place its proposed rates into effect until the Commission approves those rates or six months from the date of filing its application.

a. Its written comments on and any objections to the findings and recommendations contained in the Commission Staff Report;

b. Any additional evidence for the Commission's consideration; and

c. Written notice as to whether this matter may be submitted for decision based upon the existing record without hearing.

3. If Commission Staff finds that WFCWD's financial condition supports a higher rate than WFCWD proposes or the assessment of an additional rate or charge not proposed in WFCWD's application, WFCWD in its responses to the Commission Staff Report shall also state its position in writing on whether the Commission should authorize the assessment of the higher rate or recommend additional rate or charge.

4. If Commission Staff recommends changes in the manner in which WFCWD accounts for the depreciation of WFCWD's assets, WFCWD in its response to the Commission Staff Report shall also state its position in writing on whether the Commission should require WFCWD to implement the proposed change for accounting purposes.

5. A party's failure to file written objections to a finding or recommendation contained in the Commission Staff Report by August 12, 2014, or 14 days after the date of the filing of the Commission Staff Report, whichever occurs earlier, shall be deemed as agreement with that finding or recommendation.

6. Unless all parties request that this matter be submitted for decision upon the existing record, an informal conference shall be held in this matter on Tuesday, August 26, 2014, at 2:00 p.m. Eastern Daylight Time, at the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.

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7. Unless all parties request that this matter be submitted for decision upon the existing record, a formal hearing in this matter shall be held in the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, at a date and time to be subsequently announced.

8. The acceptance of the findings and recommendations contained in the Commission Staff Report by all parties shall not preclude the Commission from conducting a hearing on the application, taking evidence on WFCWD's financial operations, or ordering rates that differ from or conflict with the findings and recommendations contained in the Commission Staff Report.

9. Each party shall file with the Commission, no later than September 1, 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.

10. WFCWD shall publish notice of the scheduled hearing in accordance with 807 KAR 5:076, Section 11, no more than 21 days and no less than seven days before the day of the scheduled hearing.

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

12. 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.

13. 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.

14. Any motion to intervene shall be filed no later than June 10, 2014.

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15. A person who submits a motion to intervene after June 10, 2014, and upon a showing of good cause is granted full intervention shall accept and abide by the existing procedural schedule.

16. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

17. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission



ATTES Executive Director

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Honorable Patrick E Price Attorney at Law Suit, McCartney & Price, PLLC 207 Court Square Flemingsburg, KENTUCKY 41041