

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MOUNTAIN WATER)
DISTRICT FOR AN ADJUSTMENT OF WATER) CASE NO. 2014-00342
AND SEWER RATES)

ORDER

On November 20, 2014, Mountain Water District ("Mountain District") tendered its application for an adjustment of its water and sewer rates ("Application") pursuant to the procedures set forth in 807 KAR 5:001, Section 16. After Mountain District corrected filing deficiencies, its Application was accepted for filing on December 11, 2014.

In its Application, Mountain District states, "The proposed effective date of the rates is December 20, 2014."¹ Mountain District provided revised tariffs in its application for the water and sewer divisions with a stated "date of issuance" of November 20, 2014, and a stated "effective date" of December 20, 2014.²

KRS 278.180(1) provides that "no change shall be made by any utility in any rate except upon thirty (30) days' notice to the commission, stating plainly the changes proposed to be made and the time when the changed rates will go into effect." Pursuant to KRS 278.040(3),³ the Commission has promulgated 807 KAR 5:011, Section 9, that specifies:

¹ Application at 4.

² *Id.*, Exhibit D.

³ The commission may adopt, in keeping with KRS Chapter 13A, reasonable regulations to implement the provisions of KRS Chapter 278 and investigate the methods and practices of utilities to require them to conform to the laws of this state, and to all reasonable rules, regulations and orders of the commission not contrary to law.

(1) The proposed rates on a new tariff or revised sheet of an existing tariff shall become effective on the date stated on the tariff sheet if: (a) Proper notice was provided to the public in accordance with Section 8 of this administrative regulation; (b) Statutory notice was provided; and (c) The commission does not suspend the proposed rates pursuant to KRS 278.190.⁴ (2) All information and notices required by this administrative regulation shall be furnished to the commission with the filing of the proposed rate. If a substantial omission occurs, which is prejudicial to full consideration by the commission or to the public, the statutory notice period to the commission shall not commence until the omitted information and notice is filed.

As Mountain District has failed to provide revised tariff sheets that state an effective date that is 30 days from the December 11, 2014 filed date, it has not provided adequate notice and it cannot place the rates into effect on December 20, 2014. If it wishes to place the proposed rates into effect, it must resubmit the tariff sheets with an effective date that complies with the appropriate statutes and regulations.

Finding that a procedural schedule should be established to ensure the orderly review of Mountain District's Application, the Commission HEREBY ORDERS that:

1. The procedural schedule set forth in the Appendix attached to this Order shall be followed.

2. a. Responses to requests for information shall be appropriately bound, tabbed and indexed and shall include the name of the witness responsible for responding to the questions related to the information provided, with copies to all parties of record and an original and ten copies to the Commission. Any request for information from the Commission Staff shall be responded to as if set forth in a Commission Order.

⁴ KRS 278.190 (2) Pending the hearing and the decision thereon, and after notice to the utility, the commission may, at any time before the schedule becomes effective, suspend the operation of the schedule and defer the use of the rate, charge, classification, or service, but not for a longer period than five (5) months beyond the time when it would otherwise go into effect if an historical test period is used.

b. Each response shall be under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or 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.

c. A party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails to furnish all or part of the requested information, the party shall provide a written explanation of the specific grounds for its failure to furnish.

e. A party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

3. When Mountain District is required in this proceeding to provide notice of an event or filing pursuant to statute or administrative regulation, it shall when requesting publication forward a duplicate of the notice and request to the Commission.

4. If Mountain District wishes to place its proposed rates into effect prior to the conclusion of this proceeding, it shall refile its proposed tariff with the Commission in accordance with KRS 278.180 and 807 KAR 5:011.

5. A person who submits a motion to intervene after January 5, 2015, and upon a showing of good cause is granted leave to intervene, shall accept and abide by the existing procedural schedule.

6. At any hearing in this matter, neither opening statements, summarization of direct testimony, or surrebuttal testimony shall be permitted.

7. 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.

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

By the Commission

ENTERED
DEC 23 2014
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00342 DATED **DEC 23 2014**

- Requests for intervention shall be filed no later than01/05/2015
- Initial requests for information to Mountain District shall
be filed no later than01/12/2015
- Mountain District shall file responses to initial requests
for information no later than02/02/2015
- Supplemental requests for information to Mountain District
shall be filed no later than02/23/2015
- Mountain District shall file responses to supplemental requests
for information no later than03/16/2015
- An informal conference will be held at the Commission's
offices in Frankfort, Kentucky, beginning at 10:00 a.m. Eastern
Daylight Time, for the purpose of considering the possibility
of a settlement, the simplification of issues, and any other matters
that may aid in the handling or disposition of this case, on04/06/2015
- Public Hearing will be held at the Commission's offices
in Frankfort, Kentucky, beginning at 10:00 a.m. Eastern
Daylight Time, for the purpose of cross-examination of
witnesses of all parties, on..... To be scheduled
- Briefs, if any, shall be filed To be scheduled

Honorable John N Hughes
Attorney at Law
124 West Todd Street
Frankfort, KENTUCKY 40601

Daniel P Stratton
Stratton Law Firm PSC
P.O. Box 1530
Pikeville, KENTUCKY 41502