

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WEBSTER COUNTY WATER)	CASE NO.
DISTRICT FOR RATE ADJUSTMENT)	2015-00065
PURSUANT TO 807 KAR 5:076)	

ORDER

On February 26, 2015, Webster County Water District (“Webster County”) applied for an adjustment of its rates for service pursuant to the procedures set forth in 807 KAR 5:076. Webster County’s application was accepted for filing on February 26, 2015. Finding that a procedural schedule should be established to ensure the orderly review of Webster County’s application, the Commission entered an Order on March 26, 2015, and established a procedural schedule.

Pursuant to the March 26, 2015 Order, Commission Staff was required to file with the Commission and serve upon all parties no later than May 28, 2015, a written report containing its findings and recommendation regarding Webster County’s requested rate adjustment.¹ Pursuant to the same Order, Webster County was required to file with the Commission no later than June 11, 2015, or 14 days after the date of the filing of the Commission Staff Report, whichever occurred earlier, its written comments on and any objections to the findings and recommendations contained in the Commission Staff Report and any additional evidence for the Commission to consider. In addition, any

¹ Order (Mar. 26, 2015) at 1.

request by Webster County for a hearing or informal conference was required to be made in Webster County's written comments to the Commission Staff Report, and in such case, Webster County was requested to state the reason why a hearing or informal conference is necessary.²

On May 28, 2015, Commission Staff filed its written report into the record for this case. On June 8, 2015, the Commission received a motion by Webster County for an extension of time in which to file written comments concerning the Commission Staff Report. The request for an extension of time states, in pertinent part:

The District cannot prepare a meaningful response to the PSC Staff Report until it obtains a copy of the Depreciation Spreadsheet prepared by PSC Staff. The Staff Report changed the depreciable lives assigned to numerous water assets. The District is unable to determine, from the Staff Report itself, the specific service life assigned to each water asset.

Although Webster County's request states that it will likely request an informal conference, Webster County did not request an informal conference through its June 8, 2015 filing.

Commission Staff performed a limited financial review of Webster County's operations to determine the reasonableness of the requested retail water service rates. During the financial review, Staff obtained a depreciation schedule from Webster County. The depreciation schedule was filed into the record for this case on June 19, 2015.³

² *Id.* at 1-2.

³ Notice of Filing of Commission Staff Response (Ky. PSC June 19, 2015)

Commission Staff used information from the depreciation schedule obtained from Webster County while preparing the pro forma depreciation adjustments described in the Staff Report.⁴ Commission Staff prepared a schedule which summarizes the information appearing on the depreciation schedule obtained from Webster County that was used in developing the pro forma depreciation amounts in the Staff Report. The schedule was filed into the record for this case on June 19, 2015.⁵

The Commission finds Webster County should be granted an extension of time to file written comments to the Staff Report and that the procedural schedule for this case should be revised.

Having reviewed Webster County's request and being otherwise sufficiently advised, the Commission finds that:

1. Webster County should be granted an extension of 14 days after the date of this Order to file written comments on and any objections to the findings and recommendations contained in the Commission Staff Report.

2. Webster County should be granted an extension of 14 days after the date of this Order to file any additional evidence for the Commission to consider.

3. Webster County should be granted an extension of 14 days after the date of this Order to request a hearing or informal conference. If Webster County requests a hearing or informal conference, the Commission finds that Webster County should make the request in its written comments and state the reason why a hearing or informal conference is necessary.

⁴ Staff Report at 9–10.

⁵ Notice of Filing of Commission Staff Response (Ky. PSC June 19, 2015).

4. The Commission Staff has recommended changes in the manner in which Webster County accounts for the depreciation of Webster County's assets. If Webster County files written comments, it should also state in writing its position on whether the Commission should require Webster County to implement the proposed changes for accounting purposes.

IT IS THEREFORE ORDERED that:

1. Webster County is granted an extension of 14 days after the date of this Order to file written comments on and any objections to the findings and recommendations contained in the Commission Staff Report.

2. Webster County is granted an extension of 14 days after the date of this Order to file any additional evidence for the Commission to consider.

3. Webster County is granted an extension of 14 days after the date of this Order to request a hearing or informal conference. If Webster County requests a hearing or informal conference, Webster County shall make the request in its written comments and state the reason why a hearing or informal conference is necessary.

4. The Commission Staff has recommended changes in the manner in which Webster County accounts for the depreciation of Webster County's assets. If Webster County files written comments, Webster County shall also state in writing its position on whether the Commission should require Webster County to implement the proposed changes for accounting purposes.

5. Webster County's failure to file written objections to a finding or recommendation contained in the Commission Staff Report by 14 days after the date of this Order shall be deemed a waiver of all objections to that finding or recommendation.

6. Webster County's failure to request a hearing or informal conference in its written response shall be deemed a waiver of all rights to a hearing on the application and a request that the case stand submitted for decision.

By the Commission

ENTERED
JUN 26 2015
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


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