

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GREEN-TAYLOR WATER) CASE NO. 2009-00032
DISTRICT FOR AN ADJUSTMENT OF RATES)

ORDER

Citing the time and expense of preparing written testimony, Green-Taylor Water District ("Green-Taylor District") has moved for a deviation from 807 KAR 5:001, Section 10(6)(b) to permit the filing of its application for rate adjustment without the prepared testimony of any supporting witness.¹ We deny.

Green-Taylor District, a water district organized pursuant to KRS Chapter 74, owns and operates facilities that are used to distribute water to approximately 4,660 customers in Adair, Green, Metcalfe, and Taylor counties, Kentucky.² It had revenues of \$1,962,672 for the year ending December 31, 2007.³

On March 3, 2009, Green-Taylor District tendered its application for rate adjustment. On March 19, 2009, the Commission rejected the application for filing after discovering that it failed to comply with 807 KAR 5:001, Section 10(6)(b). This regulation provides that any application for rate adjustment that is supported by a

¹ William Netherland, Chairman of Green-Taylor District's Board of Commissioners, submitted a written request. The Commission has considered this request as a motion for a deviation.

² Report of Green-Taylor Water District to the Kentucky Public Service Commission for the Year Ending December 31, 2007 at 5 and 27.

³ *Id.* at 27.

historical test period shall include, “[i]f the utility has gross annual revenues greater than \$1,000,000, the prepared testimony of each witness the utility proposes to use to support its application.” On March 30, 2009, Green-Taylor District moved for a deviation from this requirement.

The Commission finds no evidence in the record to support granting the requested relief. Aside from a general reference to “the time and cost required to prepare the testimony,” Green-Taylor District provides no supporting evidence. It does not state the time required to prepare testimony nor does it provide any estimate of the cost for such testimony. The water district fails to explain why, as outside sources prepared Green-Taylor District’s application, such sources were unable or not instructed to prepare a key component of that application.

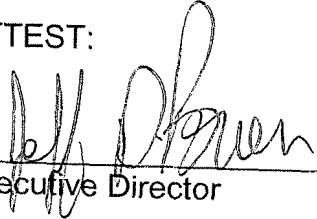
Prepared testimony is a critical element of any rate adjustment application. It provides the Commission with an overview of a utility’s operation and a need for the requested rate adjustment and allows greater meaning and understanding of the underlying financial documents and exhibits. When complete and thorough testimony is submitted with the application, the need for discovery is reduced and the time necessary for Commission review of the application is lessened.

The Commission HEREBY ORDERS that:

1. Green-Taylor District’s motion is denied.
2. Within 20 days of the date of this Order, Green-Taylor District shall file prepared testimony in support of its application for rate adjustment.

By the Commission

ENTERED
JUN 16 2009 *M*
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Larry W Cann
Consulting Engineer
Cann-Tech, LLC
1100 Glansboro Rd, Suite 9
Lawrenceburg, KY 40342-9084

Roger Moss
General Manager
Green-Taylor Water District
250 Industrial Park Road
P. O. Box 168
Greensburg, KY 42743

Monty Rhody
Cann-Tech, LLC
1100 Glansboro Rd, Suite 9
Lawrenceburg, KY 40342-9084