

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CALDWELL COUNTY WATER )	CASE NO.
DISTRICT FOR RATE ADJUSTMENT PURSUANT )	2016-00054
TO 807 KAR 5:076 )	

ORDER

On August 10, 2016, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention (“Attorney General”), filed a motion for rehearing and reconsideration (“Motion for Rehearing”) of the Commission’s July 21, 2016 Order approving new water rates for Caldwell County Water District (“Caldwell District”). The new rates were designed to produce \$209,058 in additional revenue and were granted after an investigation of Caldwell District’s application filed pursuant to 807 KAR 5:076.

In his Motion for Rehearing, the Attorney General states, in pertinent part, that Caldwell District “failed to provide evidence in support of its Application for a rate adjustment as required by law and the Commission incorrectly placed the burden of proof upon the wrong party.”<sup>1</sup> The Attorney General requests that the Commission deny “any request in the Application not supported by substantial evidence.”<sup>2</sup>

The Commission finds that the Attorney General’s Motion for Rehearing discusses the findings and conclusions in the Commission’s July 21, 2016 Order

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<sup>1</sup> Motion for Rehearing at 6.

<sup>2</sup> *Id.*

concerning Caldwell District's granting of wage increases for four employees.<sup>3</sup> The Commission also finds that in his written comments filed on May 18, 2016, in response to the Commission Staff Report ("Attorney General's Comments"), the Attorney General states that there had been no discovery in the proceeding and that he was "not able or willing to assert that there is a water loss issue with this particular district, but there was some documentation that was provided in the districts *[sic]* filings that does lend itself to that possibility, and he only hopes that the Commission takes notes of all relevant facts in coming to a conclusion in this matter."<sup>4</sup> In his Motion for Rehearing the Attorney General states that "he was unable to adequately provide evidence on a particular subject" (water loss) because there was no discovery.<sup>5</sup>

The Commission finds good cause to grant the Attorney General's Motion for Rehearing on the issues of Caldwell District's 3 percent wage increase granted to its employees and the level of Caldwell District's water loss. The Commission further finds that the Attorney General should have an opportunity to conduct discovery on the two rehearing issues, and that a procedural schedule should be established for the rehearing.

IT IS THEREFORE ORDERED that:

1. The Attorney General's Motion for Rehearing is granted on the issues of Caldwell District's wage increase to its four employees and the level of Caldwell District's water loss.

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<sup>3</sup> *Id.* at 2–5.

<sup>4</sup> Attorney General's Comments at 8.

<sup>5</sup> Motion for Rehearing at 6.

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

3. a. Responses to requests for information in paper medium 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 an original in paper medium and an electronic version to the Commission.

b. Each response shall be answered under oath or, for representatives of a public or private corporation, a partnership, an 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. Any 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 or refuses to furnish all or part of the requested information, the party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

e. Careful attention shall be given to material to ensure that it is legible. Any party submitting 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.

4. If the Attorney General requests a hearing or informal conference, he shall state the reasons why a hearing or informal conference is necessary.

5. 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.

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

By the Commission

ENTERED  
AUG 24 2016  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director *for*

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00054 DATED **AUG 24 2016**

The Attorney General shall file requests for information to Caldwell District on the issues of the wage increase and water loss no later than.....09/08/16

Caldwell District shall file with the Commission and serve upon all parties of record its responses to the Attorney General's requests for information no later than.....09/22/16

The Attorney General may, after Caldwell District files its responses, request a hearing or informal conference no later than.....10/06/16

If the Attorney General does not request a hearing or informal conference, each party may submit comments or a brief on the rehearing issues no later than.....10/20/16

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