# COMMONWEALTH OF KENTUCKY

### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT APPLICATION OF	)	
SOUTHERN WATER AND SEWER	)	
DISTRICT; PRESTONSBURG CITY'S	)	
UTILITY COMMISSION; AND THE CITY OF	)	
PRESTONSBURG, KENTUCKY FOR AN	)	CASE NO. 2017-00044
ORDER APPROVING THE TRANSFER OF	)	
OWNERSHIP OF THE WASTEWATER	)	
SYSTEM AND CERTAIN PORTIONS OF	)	
THE WATER SYSTEM OF SOUTHERN	)	
WATER AND SEWER DISTRICT	)	
	175	

# ORDER

Joint Applicants Southern Water and Sewer District ("Southern District"), Prestonsburg City's Utility Commission ("PCUC"), and the city of Prestonsburg, Kentucky, ("Prestonsburg") (collectively, "Joint Applicants") submitted an application for approval of the transfer of ownership and control of Southern District's wastewater treatment and collection facilities and portions of its water distribution system to PCUC and Prestonsburg. The application was accepted for filing on February 6, 2017. Pursuant to KRS 278.020(7), the Commission must rule on Joint Applicants' application within 60 days of filing¹ unless it is necessary, for good cause, to extend the review period for up to an additional 60 days. Joint Applicants request the Commission to approve the proposed transfer within 60 days of the filing of the application or, if the Commission

<sup>&</sup>lt;sup>1</sup> Sixty days from the date of filing is April 7, 2017.

extends the review period, by April 21, 2017, to permit closing of the transfer to occur as scheduled.<sup>2</sup>

By Order entered February 20, 2017, the Commission established a procedural schedule to ensure an orderly review of Joint Applicants' application. Pursuant to the schedule, Commission Staff filed requests for information on March 6, 2017, and Joint Applicants filed responses to the requests on March 13, 2017. The Commission finds that it requires additional information from Joint Applicants regarding the proposed transfer. The Commission therefore finds good cause to extend the 60-day period for a decision set forth in KRS 278.020(7) for an additional 60 days<sup>3</sup> so that it can review and fully consider the responses. Notwithstanding this extension of the review period, the Commission will endeavor to expedite the completion of our review in light of Joint Applicants' request for a decision prior to April 21, 2017.

#### IT IS THEREFORE ORDERED that:

- 1. The time in which the Commission shall render its decision on the Joint Applicants' application is extended an additional 60 days pursuant to KRS 278.020(7).
- 2. a. Joint Applicants shall file with the Commission, on or before April 13, 2017, their responses to all requests for information listed in the Appendix to this Order, with an original in paper medium and an electronic version to the Commission. Responses to requests for information in paper medium shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

<sup>&</sup>lt;sup>2</sup> Joint Application at 14.

<sup>&</sup>lt;sup>3</sup> The additional 60-day period runs through June 6, 2017.

b. Each response shall be answered 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. Joint Applicants shall make timely amendment to any prior response if they obtain information that indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Joint Applicants fail or refuse to furnish all or part of the requested information, they shall provide a written explanation of the specific grounds for their failure to respond completely and precisely.

d. Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filling a paper containing personal information, Joint Applicants shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

By the Commission

ATTEST:

Executive Director

ENTERED

APR 0 6 2017

KENTUCKY PUBLIC SERVICE COMMISSION

## APPENDIX

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2017-00044 DATED APR 0 6 2017

- Refer to the Joint Application, Items 13 and 14. The Joint Application identifies the specific assets that will be transferred from Southern District to PCUC and Prestonsburg.
- a. Provide the Total Utility Plant and the associated Accumulated Depreciation values that are to be transferred from Southern District's Wastewater system, as described in Item 13.
- b. Provide the Total Utility Plant and associated Accumulated

  Depreciation values that are to be transferred from Southern District's Water system, as

  described in Item 14.
- c. Provide the journal entries that Southern District will record in its books of original entry for both water and sewer upon completion of the transfer of assets.

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