

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED WATER)	CASE NO.
ADJUSTMENT FILING OF MARION COUNTY)	2022-00212
WATER DISTRICT)	

ORDER

On July 15, 2022, Marion County Water District (Marion District) applied for approval to adjust its rates pursuant to the purchased water adjustment (PWA) procedure set forth in KRS 278.015 and 807 KAR 5:068. The Commission, on its own motion, finds that this matter should be dismissed for the reasons discussed below.

LEGAL STANDARD

In accordance with KRS 278.015, when a wholesale supplier selling water to a water district increases its rates, the water district has the authority to increase its rate commensurate with the wholesale supplier. KRS 278.015(2) and 807 KAR 5:068, Section 4(2)(b), provides that a water district can submit a PWA application no earlier than 30 days prior to the proposed effective date of the supplier's changed rate or no later than 20 days after the utility, without prior Commission approval, adjusts its rates to reflect the change in its purchased water costs due to the supplier's changed rate.

In a PWA application, the water district must file a copy of the notice from the wholesale supplier showing the increase in the wholesale rate, and a statement of the volume of purchased water used to calculate the rate adjustment. The Commission shall

approve the filing or establish revised rates by order no later than 30 days after the above documents are filed with the Commission.

DISCUSSION AND FINDINGS

On July 15, 2022, Marion District filed its PWA application based on Campbellsville Municipal Water & Sewer's (Campbellsville Water) notice to Marion District that Campbellsville Water would file a tariff with the Commission on or before July 1, 2022, with the rate increase effective for service on and after August 1, 2022. However, on July 15, 2022, when Marion District filed its application, Campbellsville Water had not yet filed its tariff with the Commission for approval of the increase in rates.

KRS 278.180(1) required Campbellsville Water to provide the Commission with 30 days' notice prior to the effective date of a rate increase. Campbellsville Water did not tender its tariff to the Commission until July 20, 2022. In accordance with KRS 278.180(1), the earliest proposed effective date for Campbellsville Water's wholesale rate increase would be August 19, 2022, pending Commission acceptance of the tariff.

Based upon the periods in KRS 278.015, 807 KAR 5:068, and KRS 278.180, the earliest date that Marion District could have tendered its PWA application is July 19, 2022, which is 30 days before the proposed effective date of Campbellsville Water's wholesale rate increase. Because Marion District filed its PWA application prior to the beginning statutory date in which to file an application, the Commission finds that Marion District's PWA application should be denied as untimely filed outside the permissible filing date.

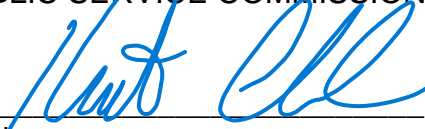
IT IS THEREFORE ORDERED that:

1. Marion District's application for approval to adjust its rates pursuant to the purchased water adjustment procedure is denied.

2. This case is closed and removed from the Commission's docket.

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PUBLIC SERVICE COMMISSION



Chairman

Vice Chairman



Commissioner

ENTERED
AUG 12 2022
rcs
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

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