

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF SOUTHERN	)	
WATER AND SEWER DISTRICT FOR IMMEDIATE	)	CASE NO.
IMPLEMENTATION OF PHASE 2 RATES	)	2023-00227
APPROVED IN CASE NO. 2022-00099	)	

ORDER

On July 11, 2023, Southern Water and Sewer District (Southern District) filed an application<sup>1</sup> requesting to implement Phase 2 of a rate increase before the date established in Case No. 2022-00099.<sup>2</sup>

In Case No. 2022-00099, the Commission approved a rate increase that was to be implemented in two phases, with Phase 1 in effect on January 1, 2023, and Phase 2 in effect on January 1, 2024.

As a basis for its request, Southern District explained that it experienced significant increases in operating expenses and that the increased costs have resulted in Southern District having difficulty meeting its financial obligations.<sup>3</sup> For that reason, Southern District requested that the Phase 2 rates be implemented as soon as possible.

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<sup>1</sup> The Commission notes that the application was filed pursuant to KRS 278.300, which requires Commission approval before a utility can enter into an evidence of indebtedness. Because Southern District is not requesting approval of debt, the Commission concludes that Southern District cited to the incorrect statute and should have cited to KRS 278.190, which addresses general rate adjustment cases.

<sup>2</sup> Case No. 2022-00099, *Electronic Application of Southern Water and Sewer District for an Alternative Rate Adjustment* (Ky. PSC Dec. 20, 2022).

<sup>3</sup> Application, paragraph 5.

Based upon a review of the application and the record of Case No. 2022-00099, the Commission finds that Southern District should be granted leave to implement the Phase 2 rates sooner than January 1, 2024. This is because Phase 2 rates have been found to be fair, just and reasonable and the implementation of Phase 2 rates is only a matter of timing. The Commission further finds that Southern District should not place Phase 2 rates into effect until 20 days after it notifies its customers. Southern District may notify its customers by publishing a one-time notice of the increase in a newspaper of general circulation in its territory or placing an insert in bills rendered to its customers.

In addition, the Commission finds that the record of Case No. 2022-00099 should be incorporated by reference into this proceeding.

IT IS THEREFORE ORDERED that:

1. Southern District's request to place Phase 2 rates approved in Case No. 2022-00099 into effect before January 1, 2024, is granted.
2. The Phase 2 rates approved in Case No. 2022-00099 shall be placed into effect 20 days after Southern District notifies its customers of the rate increase in accordance with ordering paragraph 3.
3. Twenty days prior to the effective date of the Phase 2 rates, Southern District shall notify its customers of the implementation of the Phase 2 rates by publishing a one-time notice of the increase in a newspaper of general circulation in its territory or placing an insert in bills rendered to its customers.
4. Within 45 days of publishing notice required in ordering paragraph 3, Southern District shall file proof of publication of the notice to the Commission as required pursuant to 807 KAR 5:076, Section 5(3).

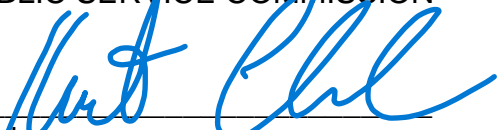
5. Within 20 days of the date of service of this Order, Southern District shall file with this Commission, using the Commission's electronic Tariff Filing System, new tariff sheets setting forth the rates and charges approved by this Order and their effective date, and also stating that the rates and charges were authorized by this Order.

6. The record of Case No. 2022-00099 is incorporated by reference into this proceeding.

7. This case shall remain open until further Order of the Commission.

8. Southern District shall respond to all requests for information propounded by Commission Staff, whether identified on a procedural schedule or otherwise, as provided in those requests.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ENTERED  
JUL 25 2023  
rcs  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

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