

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION INTO NICHOLAS)	
COUNTY WATER DISTRICT FOR AN ALLEGED)	CASE NO.
FAILURE TO COMPLY WITH A COMMISSION)	2023-00314
ORDER AND KRS 278.160)	

ORDER

The Commission, on its own motion, opened this proceeding on October 3, 2023, to investigate Nicholas County Water District’s (Nicholas District) alleged failure to comply with a Commission Order and KRS 278.160. For the reasons set forth below the Commission, on its own motion, now finds that the scope of this investigation should be expanded and that the case style should be revised.

BACKGROUND

In its final Order in Case No. 2023-00024, the Commission noted that Nicholas District had filed a 2021 Annual Report missing much of the required information, and that Nicolas District had not responded to numerous requests for the information necessary to complete the 2021 Annual Report.¹ For this reason, the Commission ordered Nicholas District to file a complete 2021 Annual report within 60 days of service of the final Order

¹ Case No.2023-00024, *Electronic Application of Nicholas County Water District for a Certificate of Public Convenience and Necessity to Construct a System Improvements Project and an Order Approving a Change in Rates and Authorizing the Issuance of Securities Pursuant to 278.023* (Ky. PSC Mar. 10, 2023), Order at 5–6.

in Case No. 2023-00024.² To date Nicholas District has failed to file a complete 2021 Annual Report.

LEGAL STANDARD

Commission regulation 807 KAR 5:006, Section 4(2) requires every utility subject to the Commission's jurisdiction to file, by March 31 every year, a financial and statistical report based on the statistics and financial data of the prior year. The Commission makes the necessary forms available on its website.

Pursuant to KRS 278.250, the Commission may investigate and examine the condition of any utility subject to its jurisdiction. Pursuant to KRS 278.260, the Commission may, on its own motion, make an investigation relating to any rate or service of any utility subject to its jurisdiction to determine whether that rate or service is unreasonable, unjustly discriminatory, unsafe, insufficient or inadequate. KRS 278.280 requires the Commission to find that the practices or service of a utility are unjust, unreasonable, unsafe, improper, inadequate, or insufficient before prescribing a practice or rule for providing service. The Commission is required by KRS 278.250, 278.260, and KRS 278.280 to conduct a hearing on the matter before entering an order affecting the utility.

Pursuant to KRS 278.990, if any utility willfully violates any provision of KRS Chapter 278, or any regulation promulgated pursuant to KRS Chapter 278, or a Commission Order, the utility shall be subject to a civil penalty for each offense of not less than \$25 nor more than \$2,500.

² Case No. 2023-00024, March 10, 2023 final Order at 8, ordering paragraph 14.

DISCUSSION AND FINDINGS

Because Nicholas District failed to file the necessary report in compliance with 807 KAR 5:006, Section 4(2), and failed to file such report when ordered to do so by the Commission, the Commission finds that the scope of this proceeding should be expanded to include an alleged failure to comply with 807 KAR 5:006, Section 4(2).

Further the Commission finds that the style of this proceeding should be amended to: *“Electronic Investigation into Nicholas County Water District for an Alleged Failure to Comply with a Commission Order, 807 KAR 5:006, Section 4(2), and KRS 278.160.”*

Finally the Commission finds that within 30 days of the service of this Order, Nicholas District should file, by and through counsel, an answer to the allegations set forth in this Order and the Commission’s October 3, 2023 Order initiating this proceeding.

IT IS THEREFORE ORDERED that:

1. This proceeding is expanded to include Nicholas District’s alleged failure to comply with Commission regulation 807 KAR 5:006, Section 4(2).
2. The style of this proceeding is amended to: *Electronic Investigation into Nicholas County Water District for an Alleged Failure to Comply with a Commission Order, 807 KAR 5:006, Section 4(2), and KRS 278.160.*
3. Within 30 days of the date of service of this Order, Nicholas District shall file, by and through counsel an answer to the allegations contained in this Order and the October 3, 2023 Order initiating this proceeding.

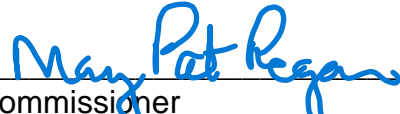
PUBLIC SERVICE COMMISSION



Chairman



Vice Chairman



Commissioner

ENTERED
OCT 31 2023 bsb
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



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