

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF PEAKS MILL)	CASE NO.
WATER DISTRICT FOR A RATE ADJUSTMENT)	2023-00401
PURSUANT 807 KAR 5:076)	

ORDER

On December 6, 2023,¹ Peaks Mill Water District (Peaks Mill District) filed its application with the Commission requesting an adjustment to its water rates pursuant to 807 KAR 5:076.² The Commission established a procedural schedule by Order dated December 21, 2023, that, among other things, required Commission Staff to file with the Commission and serve upon all parties of record a written report (Commission’s Staff Report) containing its findings and recommendations regarding Peaks Mill District’s requested water rate adjustment, no later than April 23, 2024.

Due to numerous Commission Staff scheduling conflicts, as well as the need for a supplemental data request, the Commission, on its own motion, finds that the procedural schedule established on December 21, 2023, should be amended to afford Commission Staff additional time to prepare and file the Commission Staff’s Report. Specifically, the

¹ Peaks Mill District tendered its application on December 4, 2023. By letter dated December 6, 2023, the Commission rejected the application for filing deficiencies. The deficiencies were subsequently cured, and the application is deemed filed on December 6, 2023.

² Pursuant to 807 KAR 5:076, Section 7(2), if the Commission has not issued an order after six months from the date an alternative rate filing application is deemed filed, the utility may place the proposed rates into effect, subject to refund, pending the Commission’s order upon filing written notice with the Commission of its intent to do so. Otherwise, an applicant using the alternative rate filing procedure may not place the proposed rates into effect until the Commission has issued an order approving the rates. 807 KAR 5:076, Section 7(1).

Commission finds that the date for filing the Commission Staff's Report should be extended to May 28, 2024. Peaks Mill District should respond by April 29, 2024, to the request for information attached to this Order as an Appendix.

After Commission Staff's Report is filed on or before the amended deadline of May 28, 2024, Peaks Mill District will have 14 days to file a written response to Commission Staff's Report.³ If Peaks Mill District does not file written objections to a finding contained in Commission Staff's Report within 14 days after the date of the filing of Commission Staff's Report, it shall be deemed a waiver of all objections to that finding.⁴

IT IS THEREFORE ORDERED that:

1. The procedural schedule established on December 21, 2023, is amended.
2. Peaks Mill District shall respond by April 29, 2024, to the request for information attached as an Appendix to this Order.
2. Commission Staff's Report shall be filed no later than May 28, 2024.
3. Peaks Mill District shall file its written response, if any, to Commission Staff's Report within 14 days of the filing of the Commission Staff's Report.
4. All provisions of the Commission's December 21, 2023 Order that are in conflict with the provisions of this Order are vacated, and all other provisions not in conflict with the provisions of this Order shall remain in effect.

³ 807 KAR 5:076, Section 11(3)(a).

⁴ 807 KAR 5:076, Section 11(3)(c).

PUBLIC SERVICE COMMISSION

Scott Miller
Chairman

AM
Vice Chairman

May Pat Regan
Commissioner

ENTERED
APR 15 2024
rcs
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:

Linda C. Bridwell
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2023-00401 DATED APR 15 2024

COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION TO PEAKS MILL WATER DISTRICT

Peaks Mill Water District (Peaks Mill District), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on April 29, 2024. The Commission directs Peaks Mill District to the Commission's July 22, 2021 Order in Case No. 2020-00085⁵ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. 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 the 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.

Peaks Mill District shall make timely amendment to any prior response if Peaks Mill District obtains information that indicates the response was incorrect or incomplete

⁵ Case No. 2020-00085, Electronic Emergency Docket Related to the Novel Coronavirus COVID-19 (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Peaks Mill District fails or refuses to furnish all or part of the requested information, Peaks Mill District shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Peaks Mill District shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to Peaks Mill District's responses to Commission Staff's First Request for Information (Staff's First Request), Item 10, revised tap-on fee calculations as well as the revised filing on February 15th.

a. Explain why Peaks Mill District did not calculate the tap-on fees by taking the average of the long side and short side installations.

b. Provide examples where this Commission has approved other utilities to charge bifurcated tap-on fees for long side installations as well as short side installations.

c. Explain whether Peaks Mill District considered adding specific language in its tariff for instances where the installation requires a road bore or creek

crossing, or other circumstances where the cost may be more expensive. If not, explain why not.

2. Refer to Peaks Mill District's Application, Attachment 4, Table G and Table H. Table G illustrates a Customer Charge in the amount of \$10.99 for meter sizes 5/8-inch x 3/4-inch and 1-inch. Additionally, Table G illustrates that the usage blocks are calculated for the first 10,000 gallons, next 90,000 gallons, and over 100,000 gallons. However, Table H has a monthly minimum bill of \$34.77 for the first 2,000 gallons, and usage blocks of next 8,000 gallons, next 90,000 gallons and over 100,000 gallons.

a. Confirm that Peaks Mill District combined the first 2,000 gallon usage block and next 8,000 gallon usage block to calculate the total costs and gallons sold in Table G. If confirmed, then provide a breakdown of costs and gallons sold for the usage blocks used in Table G. If not confirmed, then explain the discrepancy between the usage blocks in Table G and in Table H.

b. Explain and provide support for how the amounts of gallons for monthly minimum bills were calculated for all meter sizes larger than 1-inch meters.

3. Refer to Peaks Mill District's Application, Schedule of Adjusted Operations (SAO) and Explanation of Adjustment to Total Retail Metered Sales. Adjustment I in the SAO shows a revenue adjustment of \$17,395 to total retail metered sales. The Explanation of Adjustment to Total Retail Metered Sales indicates that this is an estimation of an increase in revenues due to an increase in customers as well as the change out of older, under-registering meters with new, more accurate meters.

a. Provide support and all necessary calculations for how the adjustment of \$17,395 was derived.

b. Provide the number of customers that will be added to Peaks Mill District's water system as well as how this number was derived. Provide the anticipated timeline for bringing these customers online.

c. Explain whether these customers are retail or commercial customers. Include in the response the average gallons Peaks Mill District used to estimate the revenues generated by these new customers.

d. Provide the number of older, under-registering meters that were replaced with newer, more accurate meters and the replacement timeline. Include in the response all records, including meter testing results, that represent the number of meters that were under-registering customer usage as well as specific dates of replacement.

e. Refer to the \$17,395 adjustment in total retail metered sales. Of this amount, how much is derived from newer customers and how much is derived from newer meters.

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