COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED REVISION OF RULES REGARDING THE PROVISION OF WHOLESALE WATER SERVICE BY THE CITY OF VERSAILLES TO NORTHEAST WOODFORD WATER DISTRICT

CASE NO. 2011-00419

RESPONSE TO MOTION FOR FULL INTERVENTION BY THE ELECTRIC AND WATER PLANT BOARD OF THE CITY OF FRANKFORT

Now comes the City of Versailles, by counsel, and for its response to the pending motion for full intervention, states as follows:

807 KAR 5:001 Section 3(8)(b) gives the Commission authority to grant a requesting person or entity full intervention if the Commission determines that person requesting to intervene has "a special interest in the proceeding which is not otherwise adequately represented..." The City of Versailles (hereafter "City") respectfully submits that the applicant for intervention has failed to demonstrate a legitimate unrepresented interest in this proceeding.

The evidence filed in this proceeding by the City demonstrates that the City entered into a contract, approved by this Commission, to sell to the Northeast Woodford Water District ("District") all of its potable water requirements through August 3, 2024 up to a maximum of 15 million gallons per month. Based upon that contract, the City incurred substantial expense, including bonded debt, to expand its water treatment and distribution facilities. The City brought this action to enforce its contract with the District when it learned that the District may be courting other suppliers. The applicant for intervention asserts that it will represent the interests of the customers of the District, but their interests are already being represented by the District.

The applicant for intervention also asserts that it has a direct interest in this proceeding by virtue of profit it intended to make upon its recent contract to sell the District 3 million gallons of potable water per month. The applicant does not assert that it incurred any cost or debt to gain the production or distribution facilities necessary to supply this contract, only that it plans to benefit from its contract with the District.

Once the District has fulfilled its commitment to purchase 15 million gallons of water from the City each month, the District is free to purchase additional water from any other supplier. The contract between the District and the applicant for intervention is not affected by this proceeding.

The City submits that question of whether the District should honor its long standing contact with the City is completely separate and unrelated to the issue that applicant proposes to interject into this proceeding and that granting the applicant full intervention would unduly complicate and disrupt this proceeding.

Wherefore, the City of Versailles respectfully requests that the application of the Frankfort Plant Board for intervention be denied.

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ATTORNEY FOR CITY OF VERSAILLES

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CERTIFICATE OF SERVICE

It is hereby certified that true copies of the foregoing Response to Motion for Intervention have been served by mailing, postage prepaid, to: Northeast Woodford Water District, 225 South Main Street, Suite A, Versailles, KY 40383; Hon. Joseph Hoffman, attorney for said District, United Bank Building, Versailles, KY 40383; and Hon. Hance Price, attorney for Frankfort Plant Board, P. O. Box 308, Frankfort, KY 40602 on this 9th day of March, 2012.

Ince

WILLIAM K. MOORE