

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BUSH GARDENS)	
ENTERPRISES, LLC FOR APPROVAL OF)	
INITIAL SEWER RATES PURSUANT TO THE)	CASE NO.
ALTERNATIVE RATE FILING PROCEDURES)	2015-00306
FOR SMALL UTILITIES AND TARIFF)	

ORDER

On September 8, 2015, Bush Gardens Enterprises, LLC (“Bush Gardens”) tendered its application for an adjustment of its water rates (“Application”) pursuant to the procedures set forth in 807 KAR 5:076. Bush Gardens’ Application met the initial filing requirements on September 24, 2015.¹ In its Application, Bush Gardens requested a deviation from 807 KAR 5:076 and requested an expedited review of its Application to occur within 30 days of filing. In support, Bush Gardens states that it is concerned about the potential for future insolvency of the utility, particularly because approximately half of the depreciable life of its assets has passed.

On September 24, 2015, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention (“AG”), moved to intervene in this matter and objected to the request for a deviation and expedited treatment. The AG argues

¹ No action is necessary to suspend the effective date of Bush Gardens’ proposed rates for general water service. Pursuant to 807 KAR 5:076, Section 7(1), an applicant who applies for a rate adjustment pursuant to the procedures set forth in 807 KAR 5:076 may not place its proposed rates into effect until the Commission approves those rates or six months from the date the application is accepted for filing.

that Bush Gardens has proposed a significant monthly payment, and ample time for review of the Application and for public comment is necessary.

The Commission finds that Bush Gardens' motion for a deviation and expedited treatment of its Application should be denied. The Bush Gardens treatment plant has operated for approximately ten years and has done so without assessing any charges.² While Bush Gardens may have only recently been formed as an LLC, and has operated the facility for a period without any fees, Bush Gardens has not adequately demonstrated that the Commission's review of this matter must be significantly accelerated to avoid insolvency. The Commission will, however, process this matter as expeditiously as is reasonably possible within the confines of 807 KAR 5:076.

Based on the foregoing, the Commission finds that a procedural schedule should be established to ensure the orderly review of Bush Gardens' Application.

IT IS THEREFORE ORDERED that:

1. Bush Garden's motion for a deviation from 807 KAR 5:076 and expedited treatment of its Application is denied.
2. No later than January 5, 2016, Commission Staff shall file with the Commission and serve upon all parties of record a written report containing its findings and recommendations regarding Bush Gardens' requested rate adjustment.
3. No later than January 19, 2016, or 14 days after the date of the filing of the Commission Staff Report, whichever occurs earlier, each party of record shall file with the Commission:
 - a. Its written comments on and any objections to the findings and recommendations contained in the Commission Staff Report;

² Application at 1.

a. Its written comments on and any objections to the findings and recommendations contained in the Commission Staff Report;

b. Any additional evidence for the Commission to consider; and

c. Written notice as to whether this matter may be submitted for a decision based upon the existing record without a hearing.

4. If Commission Staff finds that Bush Gardens' financial condition supports a higher rate than Bush Gardens proposes or the assessment of an additional rate or charge not proposed in Bush Gardens' application, Bush Gardens, in its responses to the Commission Staff Report, shall also state its position in writing on whether the Commission should authorize the assessment of the higher rate or recommend an additional rate or charge.

5. If Commission Staff recommends changes in the manner in which Bush Gardens accounts for the depreciation of Bush Gardens' assets, Bush Gardens, in its response to the Commission Staff Report, shall also state its position in writing on whether the Commission should require Bush Gardens to implement the proposed change for accounting purposes.

6. A party's failure to file written objections to a finding or recommendation contained in the Commission Staff Report by January 19, 2016, or 14 days after the date of the filing of the Commission Staff Report, whichever occurs earlier, shall be deemed as an agreement with that finding or recommendation.

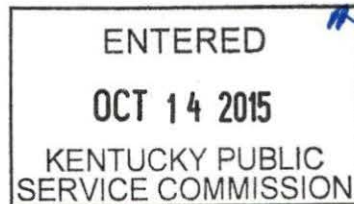
7. A party's failure to request a hearing or informal conference in the party's written response shall be deemed a waiver of all rights to a hearing on the application and a request that the case stand submitted for a decision.

8. A party's failure to file a written response by January 19, 2016, or 14 days after the date of the filing of the Commission Staff Report, whichever occurs earlier, shall be deemed a waiver of all rights to a hearing on the application.

9. Any motion to intervene shall be filed no later than November 3, 2015.

10. A person who submits a motion to intervene after November 3, 2015, and upon a showing of good cause is granted full intervention shall accept and abide by the existing procedural schedule.

By the Commission



ATTEST:

Executive Director

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