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JAN 31 2018

PUBLIC SERVICE COMMISSION

Ms. Gwen R. Pinson, Esq. Executive Director Kentucky Public Service Commission P.O. Box 615 Frankfort, KY 40602-0615

# Re: Estill County Water District No. 1 and Its Individual Commissioners Greg Wright, William Beard, and Jerry Arnold – Alleged Failure to Comply with KRS 278.300 Case No. 2017-00467

January 31, 2017

Dear Ms. Pinson:

Enclosed for filing in the above-referenced matter are the original and ten copies of the following documents:

- Estill County Water District No. 1's Response to The Commission's Order of January 11, 2018 and Waiver of Right to Hearing
- Commissioner Greg Wright's Response to The Commission's Order of January 11, 2018 and Waiver of Right to Hearing
- Commissioner William Beard's Response to The Commission's Order of January 11, 2018 and Waiver of Right to Hearing
- Commissioner Jerry Arnold's Response to The Commission's Order of January 11, 2018 and Waiver of Right to Hearing
- Motion to Dismiss Respondent Commissioners As Parties to Proceeding
- Motion to Dispense with Evidentiary Hearing and Submit Case for Decision
- Witness and Exhibit List



Gwen R. Pinson, Esq. January 31, 2018 Page 2

If Commission Staff has any questions regarding these documents, please contact me.

Very truly yours,

Stoll Keenon Ogden PLLC

Gerald Wuetcher

GEW Enclosures

## **COMMONWEALTH OF KENTUCKY**

#### **BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ESTILL COUNTY WATER DISTRICT NO. 1 AND ITS INDIVIDUAL COMMISSIONERS, GREG WRIGHT, WILLIAM BEARD, AND JERRY ARNOLD

CASE NO. 2017-00467

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# ALLEGED FAILURE TO COMPLY WITH KRS 278.300

## MOTION TO DISPENSE WITH EVIDENTIARY HEARING AND SUBMIT CASE FOR DECISION

Greg Wright, William Beard, and Jerry Arnold (collectively "Respondents") and Estill County Water District No. 1 ("Estill District") individually and jointly move that the Public Service Commission ("Commission") dispense with an evidentiary hearing in this matter and consider this case submitted for decision.

In support of their motion, the Respondents and Estill District state:

1. On August 9, 2017, Commission Staff issued a lengthy report in Case No. 2017-00176 in which it found, among other things, that Estill District had issued three promissory notes to Citizens Guaranty Bank of Irvine, Kentucky without Commission authorization in violation of KRS 278.300.<sup>1</sup> Commission Staff's action followed a review of documents that Estill District had submitted in support of its application for rate adjustment and an inspection of Estill District's records at Estill District's offices in Irvine, Kentucky.

<sup>&</sup>lt;sup>1</sup> The promissory notes in question are: (1) a note in the amount of \$200,305 issued on January 31, 2013 and payable on or before October 30, 2017; (2) a note in the amount of \$100,305 issued on January 29, 2015 and payable on or before January 28, 2019; and (3) a note in the amount of \$110,330 issued on January 24, 2017 and payable on or before February 10, 2021.

2. On October 9, 2017, Estill District in Case No. 2017-00176 moved for leave to file a response to the Commission Staff Report. In its tendered response, Estill District, among other things, accepted the Commission Staff Report's findings and addressed the allegations regard the three promissory notes.

3. On November 1, 2017, the Commission conducted the hearing in Case No. 2017-00176 at which the Commission and its staff extensively questioned the Respondents and the members of Estill District's staff regarding the issuance of the three promissory notes.

4. In its Order of January 11, 2017 in which it established this proceeding, the Commission incorporated by reference the record of Case No. 2017-00176 into the record of the current proceeding.

5. Estill District and the Respondents have submitted responses to the allegations contained in the Commission's Order of January 11, 2018. None have disputed the allegations. Each has waived his right to an evidentiary hearing in this matter

6. In light of the lengthy evidentiary hearing conducted in Case No. 2017-00176 and the responses of Estill District and the Respondents to the Order of January 11, 2018, the record in this matter is already complete. There is no need for an additional hearing to address the same areas extensively addressed at the earlier hearing.

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WHEREFORE, Estill District and the Respondents respectfully request the Commission dispense with any the hearing in this matter, cancel the hearing scheduled in this matter for February 27, 2018, and consider this case submitted for decision.

Dated: January 31, 2018

Respectfully submitted,

Gerald E. Wuetcher gerald.wuetcher@skofirm.com Stoll Keenon Ogden PLLC 300 West Vine Street, Suite 2100 Lexington, Kentucky 40507-1801 Telephone: (859) 231-3000 Fax: (859) 259-3517

Counsel for Estill County Water District No. 1, Greg Wright, William Beard, and Jerry Arnold