

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BUFFALO)	
TRAIL WATER ASSOCIATION, INC. FOR A)	CASE NO.
RATE ADJUSTMENT PURSUANT TO 807 KAR)	2021-00205
5:076)	

ORDER

On September 13, 2021, Buffalo Trail Water Association, Inc. (Buffalo Trail Water) filed with the Commission its comments in response to Commission Staff's (Staff) September 10, 2021 report (Staff Report). In its response, Buffalo Trail Water concurred with Staff's proposed rates and requested that the Commission approve the rates contained in the Appendix to the Staff Report as soon as possible.

Pursuant to 807 KAR 5:076, Section 11(f),

If commission staff reports that the applicant's financial condition supports a higher rate than the applicant proposed or commission staff recommends the assessment of an additional rate or charge not proposed in the application and commission staff's proposed rates produce a total increase in revenues that exceeds 110 percent of the total increase in revenues that the applicant's proposed rates will produce and the applicant amends its application to request commission staff's proposed rates, the commission shall order the applicant to provide notice of the finding or recommendation to its customers.

In Buffalo Trail Water's application, the original customer notice did not include the impact to an average customer's bill. Additionally, in the application, Buffalo Trail Water originally proposed a revenue increase of \$34,186; but on August 10, 2021, Buffalo Trail Water filed an amended revenue requirement requesting a larger requested amount of

\$45,646. Staff's proposed increase of \$94,437, agreed to by Buffalo Trail Water in a letter dated September 13, 2021, exceeds the regulatory threshold for re-notice.¹ Therefore, the Commission finds that Buffalo Trail Water should provide notice of the recommendation to its customers.

The Commission, on its own motion, HEREBY ORDERS that:

1. Within 14 days from the date of this Order, Buffalo Trail Water shall publish a one-time notice following the requirements of 807 KAR 5:076, Section 5, of the water rates as reflected in Buffalo Trail Water's September 13, 2021 comments to the Staff Report. The customer notice shall be formatted as set forth in the Appendix to this Order.

2. Buffalo Trail Water shall provide proof of publication of the notice to the Commission no later than 20 days from the date of this Order. The Commission directs Buffalo Trail Water to the Commission's July 22, 2021 Order in Case No. 2020-00085² regarding filings with the Commission.

3. If the Commission does not receive any written requests for intervention or a hearing in this matter within 30 days of publication of new rates, this case shall stand submitted to the Commission for decision based on the existing record.

¹ 110% of initial proposed revenue increase is (110% x \$34,186 = \$37,605).

² 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).

By the Commission

ENTERED
OCT 27 2021 ^{rcs}
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2021-00205

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2021-00205 DATED OCT 27 2021

NOTICE

On May 14, 2021, the Kentucky Public Service Commission (PSC) accepted for filing Buffalo Trail Water Association, Inc.'s (Buffalo Trail Water) application requesting to increase its revenue from water sales by \$34,186, an approximate increase of 4.66 percent. On August 10, 2021, Buffalo Trail Water amended its application to request an approximate increase in water revenues of 6.22 percent. On September 10, 2021, the PSC recommended an increase of \$94,437 an approximate increase of 12.86 percent. Buffalo Trail Water requests the PSC approve its recommended revenue requirements and that Buffalo Trail Water be allowed to implement the revised rates as follows:

Monthly Water Rates							
Gallons per Month		Current Rates per Gallon	Gallons per Month		Requested Rates per Gallon	\$ Change	% Change
<u>5/8" - x 3/4 Meter</u>			<u>5/8" - x 3/4 Meter</u>				
First	1,000 Gallons - Min. Bill	\$ 15.44	First	1,000 Gallons - Min. Bill	\$ 17.43	\$ 1.99	12.89%
Next	4,000 Gallons	\$ 0.00689	Next	4,000 Gallons	\$ 0.00778	\$ 0.0009	12.92%
Next	5,000 Gallons	\$ 0.00509	Next	5,000 Gallons	\$ 0.00575	\$ 0.0007	12.97%
Over	10,000 Gallons	\$ 0.00464	Over	10,000 Gallons	\$ 0.00524	\$ 0.0006	12.93%
<u>3/4" Meter</u>			<u>3/4" Meter</u>				
First	5,000 Gallons - Min. Bill	\$ 43.00	First	5,000 Gallons - Min. Bill	\$ 48.53	\$ 5.53	12.86%
Next	5,000 Gallons	\$ 0.00509	Next	5,000 Gallons	\$ 0.00575	\$ 0.0007	12.97%
Over	10,000 Gallons	\$ 0.00464	Over	10,000 Gallons	\$ 0.00524	\$ 0.0006	12.93%
<u>1-inch Meter</u>			<u>1-inch Meter</u>				
First	10,000 Gallons - Min. Bill	\$ 68.45	First	10,000 Gallons - Min. Bill	\$ 77.26	\$ 8.81	12.87%
Over	10,000 Gallons	\$ 0.00464	Over	10,000 Gallons	\$ 0.00524	\$ 0.0006	12.93%
<u>1 1/2" Meter</u>			<u>1 1/2" Meter</u>				
First	15,000 Gallons - Min. Bill	\$ 91.65	First	15,000 Gallons - Min. Bill	\$ 103.44	\$ 11.79	12.86%
Over	15,000 Gallons	\$ 0.00464	Over	15,000 Gallons	\$ 0.00524	\$ 0.0006	12.93%
<u>2-inch Meter</u>			<u>2-inch Meter</u>				
First	20,000 Gallons - Min. Bill	\$ 114.85	First	20,000 Gallons - Min. Bill	\$ 129.62	\$ 14.77	12.86%
Over	20,000 Gallons	\$ 0.00464	Over	20,000 Gallons	\$ 0.00524	\$ 0.0006	12.93%
<u>4-inch Meter</u>			<u>4-inch Meter</u>				
First	40,000 - Min. Bill	\$ 223.55	First	40,000 - Min. Bill	\$ 252.30	\$ 28.75	12.86%
Over	40,000 Gallons	\$ 0.00464	Over	40,000 Gallons	\$ 0.00524	\$ 0.0006	12.93%
<u>Wholesale Customers</u>			<u>Wholesale Customers</u>				
	Mount Olivet Water Company	\$ 0.00269		Mount Olivet Water Company	\$ 0.00304	\$ 0.0004	13.01%
	Nicholas County Water District	\$ 0.00329		Nicholas County Water District	\$ 0.00372	\$ 0.0004	13.07%

The rates will increase the monthly bill of a typical residential customer using 4,221 gallons a month from \$37.63 to \$42.49, an increase of \$4.86, or approximately 12.91 percent. This filing may be examined at the offices of Buffalo Trail Water located at 41135 US 62, Mayslick, Kentucky 41055.

This filing may also be examined on the PSC website at <https://psc.ky.gov/> and after the state of emergency has lifted and government offices are open to the public, at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday–Friday from 8 a.m. to 4:30 p.m.

A copy of the PSC Staff Report can be found at the following address:

https://psc.ky.gov/pscscf/2021%20Cases/2021-00205//20210910_STAFF_REPORT.pdf

Any person may submit comments on the proposed request no later than 30 days after the date of publication of customer notice. Comments shall be in writing and shall be submitted to the Executive Director, Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602. Comments may also be submitted by electronic mail to psc.info@ky.gov. If the Commission does not receive any request for intervention or hearing in this matter within 30 days after the date of publication of this customer notice, the Commission will proceed to render a decision in the matter.

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