

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF ADAIR) CASE NO.
COUNTY WATER DISTRICT FOR AN) 2021-00315
ALTERNATIVE RATE ADJUSTMENT)

ELECTRONIC APPLICATION OF ADAIR) CASE NO.
COUNTY WATER DISTRICT FOR AN) 2021-00316
ALTERNATIVE RATE ADJUSTMENT)

ORDER

On September 2, 2021, Adair County Water District (Adair District) filed two applications, pursuant to 807 KAR 5:076, requesting to adjust its monthly water service and sewer service rates.¹

The Commission finds that a procedural schedule² should be established to ensure the orderly review of Adair District's application. The procedural schedule is attached as an Appendix to this Order.

IT IS THEREFORE ORDERED that:

¹ Adair District filed both applications pursuant to Commission Orders that required Adair District to file an application for a general adjustment of base rates or an alternative rate adjustment. See Case No. 2020-00148, *Electronic Application of the Adair County Water District to Issue Securities in the Approximate Principal Amount of \$5,405,000 for the Purpose of Refunding Certain Outstanding Obligations of the District Pursuant to the Provisions of KRS 278.300 and 807 KAR 5:001* (Ky. PSC Sept. 4, 2020); and Case No. 2020-00308, *Electronic Application of the Adair County Water District for a Certificate of Public Convenience and Necessity to Construct a System Improvements Project and an Order Approving a Change in Rates and Authorizing the Issuance of Securities Pursuant to KRS 278.023* (Ky. PSC Oct. 21, 2020).

² No action is necessary to suspend the effective date of Adair District's proposed rates for service. Pursuant to 807 KAR 5:076, Section 7(1), an applicant who applies for a rate adjustment pursuant to the procedures set for 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 of the filing of its application.

1. The procedural schedule set forth in the Appendix to this Order, which is attached hereto and incorporated herein, shall be followed.

2. a. Electronic documents filed with the Commission in response to requests for information shall be in portable document format (PDF), shall be searchable, and shall be appropriately indexed and bookmarked. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or an association or a governmental agency, be accompanied by a signed certification of the preparer or 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.

c. A party shall make timely amendment to any prior response if it obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

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

e. Careful attention should be given to copied 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.

f. Any party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that the personal information cannot be read.

3. In addition to the procedural schedule set forth in the Appendix, no later than December 29, 2021, Commission Staff shall file with the Commission and serve upon all parties of record a written report (Staff Report) containing its findings and recommendations regarding Adair District's requested rate adjustment.

4. No later than 14 days after the date of the filing of the Commission Staff Report, each party of record shall file with the Commission:

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

b. Any additional evidence for the Commission to consider.

5. If Commission Staff finds that Adair District's financial condition supports a higher rate than Adair District proposes or the assessment of an additional rate or charge not proposed in Adair District's application, Adair District in its response 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 the additional rate or charge.

6. If Commission Staff finds that changes should be made to the manner in which Adair District accounts for the depreciation of Adair District's assets, Adair District in its response to the Commission Staff Report shall also state its position in writing on whether the Commission should require Adair District to implement the proposed change for accounting purposes.

7. A party's failure to file written objections to a finding contained in the Commission Staff Report within 14 days after the date of the filing of the Commission Staff Report shall be deemed a waiver of all objections to that finding.

8. If a party requests a hearing or informal conference, then the party shall make the request in its written comments and state the reason why a hearing or informal conference is necessary.

9. 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 decision.

10. A party's failure to file a written response within 14 days after the date of the filing of the Staff Report shall be deemed a waiver of all rights to a hearing on the application.

11. As set forth in 807 KAR 5:001, Section 4(11)(a), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding that is not adequately represented in the case, or (2) that the person requesting permissive intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Further, KRS 278.040(2) requires that a person seeking intervention must have an interest in the rates or service of a utility, as those are the only matters that are subject to the Commission's jurisdiction. Therefore, any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented or the issues and facts the person will present that will assist the Commission in fully

considering the matter. A mere recitation of the quantity of water consumed by the movant or a general statement regarding a potential impact of possible modification of rates will not be deemed sufficient to establish a special interest. In addition, any motion to intervene filed after the date established in the procedural schedule attached as an Appendix to this Order shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

12. The Commission directs the parties to the Commission's July 22, 2021 Order in Case No. 2020-00085³ regarding filings with the Commission.

³ 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



ATTEST:


Executive Director

Case No. 2021-00315
Case No. 2021-00316

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2021-00315 AND CASE NO.2021-00316
DATED SEP 23 2021

Requests for intervention shall be filed no later than10/01/2021

All requests for information to Adair District
shall be filed no later than 10/08/2021

Adair District shall file responses to requests
for information no later than..... 10/22/2021

All supplemental requests for information to
Adair District shall be filed no later than 11/05/2021

Adair District shall file responses to supplemental
requests for information no later than 11/19/2021

Commission Staff Report shall be filed no later than12/29/2021

*Holly Nicholas
Kentucky Eng Group PLLC
P.O. Box 1034
Versailles, KENTUCKY 40383

*Lenny Stone
General Manager
Adair County Water District
109 Grant Lane
P. O. Box 567
Columbia, KY 42728

*Adair County Water District
109 Grant Lane
P. O. Box 567
Columbia, KY 42728