

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF THE CITY)	
OF EDDYVILLE REVISING ITS WHOLESALE)	CASE NO.
WATER SERVICE RATES TO LYON COUNTY)	2022-00138
WATER DISTRICT)	

ORDER

On January 25, 2022, the city of Eddyville (Eddyville) filed with the Commission a revised tariff sheet setting forth a proposed increase to its existing wholesale water rates to Lyon County Water District (Lyon District) effective July 11, 2022. Eddyville's current monthly wholesale water rate to Lyon District is \$4.09 per 1,000 gallons. Eddyville's proposal increases the wholesale water rate by \$0.12 per 1,000 gallons, or 3 percent, to \$4.21 per 1,000 gallons.

In 2018, Eddyville passed a rate ordinance that, among other things, called for 3 percent water rate increases in 2020, 2022, 2024, and 2026, to be effective July 1 of each year. Eddyville provides wholesale water service to Lyon District through a Water Purchase Contract (Contract) dated October 23, 1989. The Contract states "[a]ny increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder."

KRS 278.030 provides that a utility may collect fair, just and reasonable rates and that the service it provides must be adequate, efficient and reasonable. Having considered the proposed rate adjustment and being otherwise sufficiently advised, the Commission finds that an investigation will be necessary to determine the

reasonableness of the proposed rate adjustment and that such an investigation cannot be completed by July 11, 2022. Pursuant to KRS 278.190, the Commission will, therefore, suspend the effective date of the proposed rates up to and including November 24, 2022, the date by which the Commission must issue a final Order in this proceeding, according to KRS 278.190(3).¹

The Commission finds that Lyon District, as a wholesale purchaser of Eddyville, has a significant interest in this proceeding and should be served with a copy of this Order and presented an opportunity to intervene in this proceeding.

The Commission directs Eddyville to the Commission's July 22, 2021 Order in Case No. 2020-00085² in which the Commission mandated the use of electronic filing procedures listed in 807 KAR 5:001, Section 8. The Commission finds that electronic filing procedures should be used, consistent with the filing procedures set forth in Case No. 2020-00085.

The Commission further finds that a procedural schedule should be established to review the reasonableness of the proposed tariffs. The procedural schedule is attached hereto as an Appendix to this Order and is incorporated herein.

IT IS THEREFORE ORDERED that:

¹ KRS 278.190(3) Although KRS 278.190(2) permits the Commission to suspend the operation of newly filed rate schedules for five months beyond the time the rates would otherwise go into effect, and in this case that would mean the rates would be suspended until December 10, 2022. KRS 278.190(3) requires the Commission to enter a final order on a schedule of new rates not later than ten months following the filing of the new rate schedules. Eddyville filed the proposed rate schedule on January 25, 2022. Therefore, the Commission must issue a final order on or before November 24, 2022, and the suspension will end at that time.

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 original physical copies of the filings required by 807 KAR 5:001, Section 8).

1. This proceeding is established to investigate the reasonableness of Eddyville's proposed wholesale water rate increase to Lyon District.

2. The proposed tariff is suspended, up to and including November 24, 2022.

3. Eddyville shall, by counsel, enter an appearance in this proceeding within seven days of the date of entry of this Order. The entry of appearance shall include the name, address, telephone number, fax number, and electronic mail address of counsel.

4. Unless otherwise ordered by the Commission, the procedures set forth in 807 KAR 5:001, Section 8, related to service and electronic filing of papers shall be followed in this proceeding.

5. Pursuant to 807 KAR 5:001, Section 8(9), within seven days of entry of this Order, Eddyville shall file by electronic means a written statement that they waive any right to service of Commission Orders by United States mail and that they or their authorized agents possess the facilities to receive electronic submissions.

6. Unless a party granted leave to intervene states its objection to the use of electronic filing procedures in a motion for intervention, the party shall:

a. Be deemed to have consented to the use of electronic filing procedures and the service of all papers, including Orders of the Commission, by electronic means; and

b. Within seven days of the date of entry of an Order of the Commission granting intervention, file with the Commission a written statement that:

(1) It or its authorized agent possesses the facilities to receive electronic transmissions; and

(2) Sets forth the electronic mail address to which all electronic notices and messages related to this proceeding should be served.

7. If a party objects to the use of electronic filing procedures and the Commission determines that good cause exists to excuse that party from the use of electronic filing procedures, service of documents on that party and by that party shall be made in accordance with 807 KAR 5:001, Section 4(8).

8. The procedural schedule set forth in the Appendix to this Order shall be followed.

9. 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 which 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 rate 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 utility service consumed by the movant or a general statement regarding the potential impact of possible modification of rates will not be deemed sufficient to establish a special interest. In addition, any motion to intervene after the date established in the procedural schedule 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.

10. Eddyville shall give notice of the hearing in accordance with the provision set forth in 807 KAR 5:001, Section 9(2). In addition, the notice of the hearing shall include the following statements: “This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov”; and “Public comments may be made at the beginning of the hearing. Those wishing to make oral public comments may do by following the instructions listed on the PSC website, psc.ky.gov.” At the time publication is requested, Eddyville shall forward a duplicate of the notice and request to the Commission.

11. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

12. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video recording shall be made of the hearing.

13. The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of times with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

14. The Executive Director shall serve a copy of this Order on Lyon District.

15. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

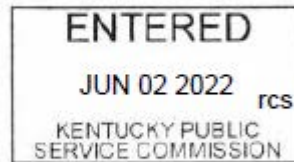
PUBLIC SERVICE COMMISSION



Chairman

Vice Chairman

Commissioner



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2022-00138 DATED JUN 02 2022

- Requests for intervention shall be filed no later than 06/13/2022
- Initial requests for information to Eddyville
shall be filed no later than 06/20/2022
- Eddyville shall file responses to
initial requests for information no later than.....07/11/2022
- All supplemental requests for information to Eddyville
shall be filed no later than 07/25/2022
- Eddyville shall file responses to supplemental requests
for information no later than08/15/2022
- Intervenor Testimony, if any, in verified prepared
form shall be filed no later than..... 08/25/2022
- All requests for information to Intervenors shall
be filed no later than..... 09/08/2022
- Intervenors shall file responses to requests for
information no later than..... 09/22/2022
- Eddyville shall file, in verified form, its rebuttal
Testimony no later than..... 10/06/2022
- Eddyville or any Intervenor shall request either a
hearing or that the case be submitted for decision
based on the record no later than.....10/13/2022

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