

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC ALLEGED FAILURE OF NORTH	)	CASE NO.
SHELBY WATER COMPANY TO COMPLY WITH	)	2025-00273
KRS 278.014 AND 807 KAR 5:006, SECTION 9	)	

ORDER

The Commission, on its own motion, establishes this proceeding to investigate North Shelby Water Company (North Shelby Water) for an alleged failure to comply with KRS 278.160(2), which states in part that “No utility shall charge, demand, collect, or receive from any person a greater or less compensation for any services rendered”, KRS 278.0154(2), which states that “a late payment charge or fee shall not be assessed more than once per billing cycle or on any part of the late payment charge”, and 807 KAR 5:006, Section 9(3)(h)(3), which states that “additional late payment charges shall not be assessed on unpaid late payment charges.”

LEGAL STANDARD

Under KRS 278.250 and KRS 278.260, the Commission is authorized to investigate and examine the condition of any utility subject to its jurisdiction, including any practice or act relating to the utility service. Under KRS 278.280, if the Commission finds that any practice or act is unjust, unreasonable, unsafe, improper, inadequate, or insufficient, then the Commission has the authority to determine the just, reasonable, safe, proper, adequate, or sufficient practice or method to be observed.

Upon a finding that North Shelby Water violated any provision of KRS Chapter 278, Commission regulations, or a Commission Order, KRS 278.990 authorizes the Commission to assess civil penalties not to exceed \$2,500 for each offense against a utility and against any officer, agent, or employee of a utility who willfully violates any provisions of KRS Chapter 278, Commission regulations, or Orders.

BACKGROUND

On February 18, 2025, Kevin Heath Copenhaver, (Mr. Copenhaver) tendered a formal complaint with the Commission against North Shelby Water, concerning the receipt of bill payments and late notices by the United States Postal Service (USPS) as a result of weather conditions during January, which resulted in late fees for service at 2690 Elmburg Road, Shelbyville, Kentucky 40065.¹

The Commission established Case No. 2025-00040, which was resolved as satisfied by Order dated October 10, 2025.² An Informal Conference was held on July 23, 2025, after which North Shelby Water provided copies of bills and late notices from January 2025 through that billing cycle. Upon review, it was determined that North Shelby Water had been incorrectly assessing penalties on Mr. Copenhaver's account in violation of KRS 278.160(2), KRS 278.0154(2) and 807 KAR 5:006, Section 9(3)(h)(3) since January.

¹ Case No. 2025-00040, *Kevin Heath Copenhaver v. North Shelby Water Company* (filed Feb. 18, 2025), Complaint.

² Case No. 2025-00040, (Ky. PSC Oct. 10, 2025), Order.

During the pendency of Case No. 2025-00040, information was submitted that indicated that North Shelby Water's accounting system does not allow for the removal of the late fees without resetting the account so that all future late fees will be stopped.³

Upon review of the record in Case No. 2025-00040, the Commission finds that an investigation should be opened to determine if North Shelby Water's administration of late fees and penalties going back for a period of up to five years, is in violation of KRS 278.160(2), KRS 278.0154(2) and 807 KAR 5:006, Section 9(3)(h)(3). The Commission also finds that the record of Case No. 2025-00040 should be incorporated into this matter, by reference, to reduce duplicative filings and increase efficiency in the processing of this matter.

IT IS THEREFORE ORDERED that:

1. This proceeding is established to investigate whether North Shelby Water is in violation of KRS 278.160(2), KRS 278.0154(2) and 807 KAR 5:006, Section 9(3)(h)(3).
2. Within 20 days of the date of service of this Order, North Shelby Water shall cause to be filed an entry of appearance by an attorney licensed in Kentucky.
3. Within 20 days of the date of service of this Order, said attorney shall, on behalf of North Shelby Water, submit to the Commission an Answer to the allegations set forth in this Order.
4. Pursuant to 807 KAR 5:001, Section 8(9), within seven days of service of this Order, North Shelby Water shall file a written statement with the Commission that:

³ North Shelby Water Affidavit Regarding Complainant Late Fees (filed Sept. 30, 2025).

a. Certifies that it, or its agent, possesses the facilities to receive electronic transmissions; and

b. Sets forth the electronic mail address to which all electronic notices and messages related to this proceeding shall be served.

5. All documents, records, and Orders included in the record of Case No. 2025-00040 are incorporated by reference into the record of this proceeding.

6. The Commission directs North Shelby Water to the Commission's July 22, 2021 Order in Case No. 2020-00852⁴ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

7. North Shelby Water shall respond to requests for information propounded by Commission Staff by the date set forth on the requests.

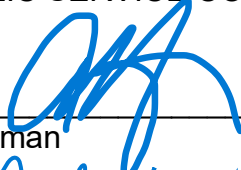
8. Any party filing a paper with the Commission shall file an electronic copy in accordance with the electronic filing procedures set forth in 807 KAR 5:001, Section 8. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked. The Commission directs the parties to the Commission's July 22, 2021 Order in Case No. 2020-0008511 regarding filings with the Commission.

⁴ 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).

9. A 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 personal information cannot be read.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

PUBLIC SERVICE COMMISSION


Chairman


Commissioner


Commissioner

ATTEST:


Executive Director





*Nathan T Riggs
Riggs, Prather, Ratliff & Bullock, PSC
500 Main Street, Suite 5
Shelbyville,

*North Shelby Water Company
4596 Bagdad Road
P. O. Box 97
Bagdad, KY 40003