

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF WARREN)	
COUNTY WATER DISTRICT TO ISSUE)	
SECURITIES IN THE APPROXIMATE PRINCIPAL)	
AMOUNT OF \$3,735,000 FOR THE PURPOSE OF)	CASE NO.
REFUNDING AND REAMORTIZING CERTAIN)	2021-00007
OUTSTANDING OBLIGATIONS OF THE)	
DISTRICT PURSUANT TO THE PROVISIONS OF)	
KRS 278.300 AND 807 KAR 5:001)	

ORDER

On October 27, 2023, Warren County Water District (Warren District) filed a motion requesting an extension of time until July 31, 2024, to file an application for a rate adjustment. In an Order entered March 24, 2021, in this proceeding, the Commission required, among other things, that Warren District file a general rate adjustment case within three years of the March 24, 2021 Order because Warren District had not filed a rate case since 2001, and thus the Commission lacked insight into Warren District's financial records and condition. In the final Order in Case No. 2022-00232,¹ the Commission reiterated this Order.

As a basis for its motion requesting an extension, Warren District stated that Warren District manages, operates, and maintains two additional water utilities—Butler County Water System, Inc. (Butler System) and Simpson County Water District (Simpson

¹ Case No. 2022-00232 *Electronic Purchased Water Adjustment Filing of Warren County Water District* (Ky. PSC Sept. 2, 2022), Order at 5, ordering paragraph 5.

District) pursuant to a long-term Joint Operations Agreement with each of these utilities.² On March 12, 2021, in Case No. 2021-00016,³ the Commission ordered Butler System to file an application for a rate adjustment on or before March 12, 2024.⁴ On March 24, 2021, in Case No. 2021-00014, the Commission ordered Simpson District to file an application for a rate adjustment on or before March 24, 2024.⁵ According to the motion the same Warren District employees are preparing both of these filings, and they are responsible for filing both the Warren District's water division general rate adjustment application as well as the Warren District's sewer division general rate adjustment application.⁶

In addition to one staff preparing four rate cases, Warren District stated that an extension would allow for Warren District water and sewer divisions to use 2023 as the test year.⁷ Warren District asserted that a 2023 test year would better reflect the current

² Warren District's Motion for Extension of Time (filed Oct. 27, 2023) at 2-3.

³ Case No. 2021-00016 *Electronic Application of the Butler County Water System, Inc. to Issue Securities in the Approximate Principal Amount of \$840,000 for the Purpose of Refunding Certain Outstanding Obligations of the Association Pursuant to the Provisions of KRS 278.300 and 807 KAR 5:001* (Ky. PSC Mar. 12, 2021), Order.

⁴ On March 7, 2024, Butler District filed a Motion for an Extension of Time requesting an extension from March 12, 2024, to March 24, 2024.

⁵ Case No. 2021-00014, *Electronic Application of the Simpson County Water District to Issue Securities in the Approximate Principal Amount of \$1,620,000 for the Purpose of Refunding and Reamortizing Certain Outstanding Obligations of the District Pursuant to the Provisions of KRS 278.300 and 807 KAR 5:001* (Ky. PSC Mar. 24, 2021), Order.

⁶ Warren District's Motion for Extension of Time at 2-4.

⁷ Warren District's Motion for Extension of Time at 2-4.

employee benefits and salaries.⁸ Warren District also stated that the 2023 test year would more accurately reflect current expenses.⁹

Based upon a review of the motion, and being otherwise sufficiently advised, the Commission finds that Warren District established good cause to extend the period to file a general rate adjustment from March 24, 2024, to July 31, 2024, due to both the multiple rate cases being prepared by the same staff as well as allowing for a test year of 2023 for Warren District's water and sewer divisions. As part of its motion, Warren District provided a financial snapshot of both its water and sewer divisions.¹⁰ Under these facts, the Commission concludes that allowing Warren District to defer filing a general rate adjustment case until July 31, 2024, would be consistent with the Commission's rationale for requiring that a rate case be filed and would provide the Commission with the most accurate portrayal of Warren District's financial records and condition.

IT IS THEREFORE ORDERED that:

1. Warren District's motion for an extension of time to file a general rate adjustment case is granted.
2. Warren District shall file for a general adjustment in base rates for both its water and sewer divisions on or before July 31, 2024.

⁸ Warren District's Motion for Extension of Time at 6.

⁹ Warren District's Motion for Extension of Time at 6.

¹⁰ Warren District's Motion for an Extension of Time, Exhibit A.

PUBLIC SERVICE COMMISSION



Chairman



Vice Chairman



Commissioner



ATTEST:


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