

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED WATER	)	CASE NO.
ADJUSTMENT FILING OF BREATHITT	)	2021-00280
COUNTY WATER DISTRICT	)	

ORDER

On June 29, 2021, Breathitt County Water District (Breathitt District) applied for approval to adjust its rates in response to the city of Jackson's (Jackson) proposed wholesale rate adjustment pursuant to KRS 278.015 and according to the purchased water adjustment procedure in 807 KAR 5:068.<sup>1</sup> The Commission, on its own motion, finds that this matter should be dismissed as moot because the proposed wholesale rate change will not go into effect, unless and until the Commission enters its final Order in Case No. 2021-00244, which is outside the 30-day window the Commission has to rule on Breathitt District's application for purchase water adjustment.<sup>2</sup>

LEGAL STANDARD

As directed in KRS 278.015 and 807 KAR 5:068, the Commission is required to approve or deny the application for purchase water adjustment no later than 30 days after the Commission accepts a utility's application for a rate adjustment based on a supplier's change in rates.<sup>3</sup>

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> *Id.*, See also Case No. 2021-00244, *Electronic Tariff Filing of City of Jackson Revising Its Wholesale Water Service Rates* (Ky. PSC June 21, 2021).

<sup>3</sup> KRS 278.015; 807 KAR 5:068.

## DISCUSSION

Jackson filed its tariff that proposed an adjustment to its wholesale water rate increase with the Commission on June 1, 2021.<sup>4</sup> On June 21, 2021, the Commission issued an Order<sup>5</sup> suspending Jackson's tariff filing for five months from July 1, 2021, to November 30, 2021, in order to investigate the reasonableness of Jackson's proposed rate increase. Until the Commission rules upon the issues in Case No. 2021-00244, the wholesale water rate at issue will remain the same.<sup>6</sup> Commission Staff advised Breathitt District of this circumstance, however Breathitt District proceeded to file its application on June 29, 2021, in this matter, presumably in abundance of caution. Applying KRS 278.015 and 807 KAR 5:068 to the facts herein requires the Commission issue a ruling on Breathitt District's application no later than July 29, 2021.<sup>7</sup> Because the Commission has not ruled on the reasonableness of Jackson's proposed wholesale rate increase and is not scheduled to prior to November 30, 2021, in Case No. 2021-00244,<sup>8</sup> the wholesale rate charged to Breathitt District will not increase by July 29, 2021, and issue of Breathitt District's purchase water adjustment is moot.

## FINDINGS

Having considered Breathitt District's proposed rate adjustment and being otherwise sufficiently advised, the Commission finds that:

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<sup>4</sup> Case No. 2021-00244, *Electronic Tariff Filing of City of Jackson Revising Its Wholesale Water Service Rates* (Ky. PSC June 21, 2021).

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> KRS 278.015; 807 KAR 5:068.

<sup>8</sup> Case No. 2021-00244, *Electronic Tariff Filing of City of Jackson Revising Its Wholesale Water Service Rates* (Ky. PSC June 21, 2021).

1. Due to the suspension of Jackson's wholesale water rate tariff, Breathitt District's application for approval to adjust its rates pursuant to the purchased water adjustment procedure should be dismissed.

2. Breathitt District's rates should remain the same as those currently under effect under authority of the Commission.

IT IS THEREFORE ORDERED that:

1. Breathitt District's application for approval to adjust its rates pursuant to the purchased water adjustment procedure is dismissed without prejudice.

2. Breathitt District's rates shall remain the same as those currently under effect under the authority of the Commission.

3. This case is closed and removed from the Commission's docket.

By the Commission

ENTERED  
JUL 26 2021 rCS  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

Case No. 2021-00280

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