

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC ALLEGED FAILURE OF BEECH)	
GROVE WATER SYSTEM, INC. AND ITS)	
OFFICERS, NATHAN WARD, CHAD MCMAHON,)	CASE NO.
GREG CHEATHAM, GREG DANT, AND ITS)	2021-00349
MANAGER, SHEILA MURPHY, TO COMPLY)	
WITH A COMMISSION ORDER, KRS 278.990)	

ORDER

On October 18, 2021, the Commission, pursuant to KRS 278.250 and KRS 278.260, established this proceeding to investigate Beech Grove Water System, Inc. (Beech Grove Water), and its individual officers, Nathan Ward, Chad McMahon, Greg Cheatham, Greg Dant, and its manager, Sheila Murphy, for allegedly failing to comply with the Commission's June 9, 2020 Order in Case No. 2020-00156.¹

On October 29, 2021, Beech Grove Water and its individual officers filed responses in the record. The responses stated that the manager, Sheila Murphy, overlooked the requirement to file a rate case and the individual officers relied upon Ms. Murphy to advise them of the requirement to file a rate case. Beech Grove Water's response to the Commission's October 18, 2021 Order stated that Ms. Murphy has contacted a rate consultant to help the utility file a rate case and that she anticipated approval from the officers at the November 2021 board meeting.

¹ Case No. 2020-00156, *Electronic Purchased Water Adjustment Filing of Beech Grove Water System, Inc.* (Ky. PSC June 9, 2020).

On December 10, 2021, the Commission issued an order expressing its concern about Beech Grove Water's financial state and found that filing a rate case as soon as possible should be Beech Grove Water's priority. The Commission also stated that the allegations made in the Commission's October 18, 2021 Order in this matter could be addressed in a rate case filed by Beech Grove Water, and the Commission did not want to delay the filing of rate case. The Commission suspended proceedings in this case, pending the resolution of an alternative rate filing, and stated that the record in this case should be incorporated by reference into the rate case. The present case was held in abeyance. The Commission ordered that Beech Grove Water shall prioritize filing an application for an alternative rate adjustment to ensure its revenue is sufficient to support adequate and reliable service at the earliest date possible.

On March 14, 2022, Beech Grove Water filed Case No. 2022-00054,² an application for rate adjustment.

IT IS THEREFORE ORDERED that:

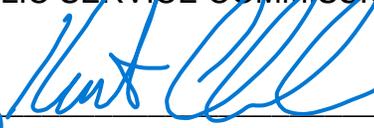
1. That the entirety of the record in the present case shall be incorporated by reference into the rate case, Case No. 2022-00054,³ so that the Commission can complete its investigation.

2. This case is closed and shall be removed from the Commission's docket

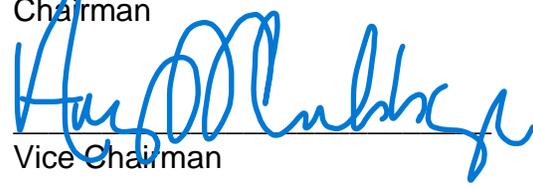
² Case No. 2022-00054, *Electronic Application of Beech Grove Water System, Inc. for a Rate Adjustment Pursuant to 807 KAR 5:076* (filed Mar. 14, 2022).

³ *Id.*

PUBLIC SERVICE COMMISSION



Chairman



Vice Chairman

Commissioner

ENTERED
MAR 29 2022 rcs
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

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