

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED WATER	)	CASE NO.
ADJUSTMENT FILING OF BEECH GROVE	)	2022-00250
WATER SYSTEM, INC.	)	

ORDER

This matter arises on Beech Grove Water System, Inc.'s (Beech Grove Water) notice to withdraw a notice of intent to file an application. On August 5, 2022, Beech Grove Water System, Inc. (Beech Grove Water) filed a notice of intent to file a Purchased Water Adjustment (PWA) application using electronic filing procedures with the Commission no later than August 10, 2022. On August 9, 2022, Beech Grove Water filed a letter with the Commission requesting to withdraw its PWA application. Beech Grove Water stated that it would refile the PWA application when a final Order in Case No. 2022-00142<sup>1</sup> is issued.

Although Beech Grove Water did not explain the basis for its withdrawal, the Commission notes that Beech Grove Water purchases water from Daviess County Water District (Daviess District). On June 30, 2022, Daviess District filed a general rate case, Case No. 2022-00142, to, among other things, increase the wholesale water rate to Beech Grove Water. The Commission further notes that Daviess District's rate case is

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<sup>1</sup> Case No. 2022-00142, *Electronic Application of Daviess County Water District for an Adjustment of Rates* (Ky. PSC July 15, 2022), Order.

pending before the Commission, with the proposed rate increases suspended up to and including December 30, 2022.

In accordance with KRS 278.015, when a wholesale supplier selling water to a water district increases its rates, the water district has the authority to increase its rate commensurate with the wholesale supplier. KRS 278.015(2) and 807 KAR 5:068, Section 4(2)(b) provides that a water district can submit a PWA application no earlier than 30 days prior to the proposed effective date of the supplier's changed rate or no later than 20 days after the utility, without prior Commission approval, adjusts its rates to reflect the change in its purchased water costs due to the supplier's changed rate. KRS 278.180(1) requires Daviess District to provide the Commission with 30 days' notice prior to the effective date of a rate increase.

Under the statutory and regulatory standards, Beech Grove Water can file a PWA application no earlier than 30 days prior to the proposed effective date of the Daviess District's changed rate.

Based upon the case record and being otherwise sufficiently advised, the Commission finds that Beech Grove Water established good cause and its request to withdraw its PWA application is granted. Daviess District's request to increase wholesale rates has not yet been approved, thus the first available statutory date in which Beech Grove Water may file a PWA application has not yet occurred.

IT IS HEREBY ORDERED that:

1. The motion for withdrawal of Beech Grove Water's PWA application is granted.
2. This case is dismissed and removed from the docket.

PUBLIC SERVICE COMMISSION

  
Chairman

Vice Chairman

  
Commissioner



ATTEST:

  
Executive Director

\*Beech Grove Water System, Inc.  
445 State Route 56 North  
Calhoun, KY 42327

\*Sheila Murphy  
Beech Grove Water System, Inc.  
445 State Route 56 North  
Calhoun, KY 42327

\*Jason Pennell  
Kentucky Rural Water Association  
Post Office Box 1424  
1151 Old Porter Pike  
Bowling Green, KENTUCKY 42102-1424