

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF SOUTHERN)	
WATER AND SEWER DISTRICT FOR)	CASE NO.
EMERGENCY RELIEF PURSUANT TO KRS)	2022-00300
278.170)	

ORDER

On August 26, 2022, Southern Water and Sewer District (Southern District) filed a letter¹ requesting Commission approval of a temporary emergency tariff for its customers who have experienced greater than usual water bills due to clean-up efforts following recent flooding. Specifically, Southern District requests rate relief for its customers whose water usage is greater than 25 percent above their six-month water usage average for the August 2022 and September 2022 billing cycles. Southern District proposed to issue bills based upon the customer's six-month average usage, rather than the actual metered usage, if the customer's water usage is greater than 25 percent above the customer's six-month average usage during the August 2022 or September 2022 billing cycle.

In support of its request, Southern District stated that due to the damage caused by heavy rain, flooding, landslides, and mudslides, many of its customers have been forced to use more water than usual in order to clean their homes and personal property. Southern stated further that it proposed this temporary rate for the purpose of assisting the community in its flood relief and clean-up efforts.

¹ Southern District's letter is attached to this Order as an Appendix.

On August 2, 2022, the Commission acknowledged that pursuant to Executive Order 2022-457, there exists a state of emergency in Eastern Kentucky arising from flooding that began on July 26, 2022 and resulted in flooding, flash flooding, mudslides and landslides.² Among other things, the Commission's Order in Case No. 2022-00243 granted utilities that were impacted by the severe weather event that began on July 26, 2022, deviations from Commission regulation 807 KAR 5:001, Section 5, the motion practice regulation, and 807 KAR 5:001, Section 8(2), which requires a utility to file a notice of its intent to use electronic filing procedures prior to filing its application. Therefore, the Commission will treat Southern District's letter as an application for emergency relief arising out of the flooding event that started July 26, 2022.

LEGAL STANDARD

Pursuant to KRS 278.170(2), any utility may grant free or reduced rate service for the purpose of providing relief in the case of flood, epidemic, pestilence, or other calamity. Further, KRS 278.170(2) provides that in the case of an emergency, a utility may provide free or reduced service and notify the Commission within five days after rendering such service.

DISCUSSION AND FINDINGS

Pursuant to Executive Order 2022-457, there exists a state of emergency in Kentucky resulting from heavy rain, flooding, flash flooding, mudslides and landslides that began on July 26, 2022. Having reviewed Southern District's request and being otherwise sufficiently advised, the Commission finds that Southern District's proposal is for the purpose of providing relief in the aftermath of flooding and therefore permitted by KRS

² Case No. 2022-00243, *Emergency Docket Related to Severe Weather Event*, (Ky. PSC Aug. 2, 2022).

278.170(2). Southern District may provide emergency relief to its customers for the August 2022 and September 2022 billing cycles as proposed. The Commission further finds that the notice provision in KRS 278.170(2) applies, and that Southern District provided notice of the reduced-rate service within the statutory timeframe as of the date of its letter. Because Southern District's proposal results in a reduced rate service under KRS 278.170, the Commission finds that Southern District should file a tariff sheet reflecting the emergency relief it is providing.

Nothing in this Order should be construed as relieving customers from the obligation to pay for services rendered. The Commission is taking this measure to ensure that customers are provided the necessary services required to maintain health and safety.

IT IS THEREFORE ORDERED that

1. Southern District's proposal to provide reduced rates in response to an emergency arising from flooding is approved.
2. Southern District shall file a tariff sheet setting forth the modification of rates as discussed in this Order.
3. This case is closed and removed from the Commission's docket.

PUBLIC SERVICE COMMISSION


Chairman

Vice Chairman


Commissioner



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2022-00300 DATED SEP 01 2022

TWO PAGES TO FOLLOW

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PUBLIC SERVICE
COMMISSION

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August 26, 2022

Executive Director
KY Public Service Commission
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Re : Application for Emergency Relief arising from the Flood of Summer of 2022

This letter is for the purpose of requesting P.S.C. approval of a temporary emergency tariff for the purpose of providing the customers of Southern Water and Sewer District relief from excessive water bills resulting from flood mitigation/cleanup efforts. As most of the country is aware, Southern's service area was devastated by the recent floods. This extreme weather event caused severe damage to much of the region. Many of Southern's customers have been forced to use more water than usual in order to clean their personal property and washing what remains of their homes.

Pursuant to Governor Beshear's Executive Order 2022-457, there existed/exists a state of emergency in Kentucky due to a severe weather system that generated multiple rounds of heavy torrential rain, creating flooding, flash flooding, mudslides and landslides. This weather event resulted in dangerous conditions and damage to public infrastructure, utility distribution systems and private property and endangered public health, safety and public and private property.

In response to this devastating weather event and related damages, Southern has proposed implementing a temporary tariff to help offset the cost of increased water usage in the region that resulted from the flood cleanup efforts. Specifically, Southern proposes that any customer that can show that their water usage is greater than 25% (twenty-five percent) above their past 6-month average bill would qualify for this new tariff. These customers would be charged their 6-month average water bill instead of the higher bill associated with the clean up efforts. This tariff would only be in place for the August 2022 and September 2022 billing cycles.

Southern has proposed this new temporary rate structure for the express purpose of assisting our community in the flood relief/cleanup efforts.

Southern hereby requests P.S.C. approval of this temporary tariff as soon as possible so that this tariff can be applied to the August 2022 billing cycle. Specifically, Southern requests that an Order be issued in response to this request by September 1, 2022.

Respectfully Submitted,

/s/ Steven Bailey

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