

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF OLDHAM)	CASE NO.
COUNTY WATER DISTRICT FOR AN)	2023-00252
ALTERNATIVE RATE ADJUSTMENT)	

ORDER

On January 16, 2024, Oldham County Water District (Oldham District) filed its response to the Commission Staff’s Report filed on January 2, 2024.¹ In its response, Oldham County made four objections to the Commission Staff’s Report, as well as reserving the right to object at a later date to other issues with written notice to the Commission.²

LEGAL STANDARD

KRS 278.030 provides that a utility may collect fair, just and reasonable rates and that the service it provides must be adequate, efficient and reasonable. KRS 278.190(1) and (3) empower the Commission to investigate any schedule of new rates for reasonability and places the burden on the utility to “show that the increased rate or charge is just and reasonable.” According to 807 KAR 5:001, Section 9, unless a hearing is not required by statute, is waived by the parties in the case, or is found by the Commission to be unnecessary, the Commission shall conduct a hearing if a request for hearing has been made.

¹ Oldham County Water District’s Response to Commission Staff’s Report (filed Jan. 16, 2024).

² Commission Staff’s Report (Ky. PSC Jan. 2, 2024).

DISCUSSION AND FINDINGS

Oldham District filed its application in compliance with the final Order in Case No. 2023-00118.³ Oldham District initially did not meet the necessary qualifications to file for a rate increase pursuant to 807 KAR 5:076 but would have had to file a general rate case with direct testimony from the district filed into the record and would not have a staff report developed. However, in that proceeding, Oldham District requested a deviation allowing it to file an application for a rate adjustment pursuant to 807 KAR 5:076 despite having gross annual revenues that slightly exceeded those permitted by 807 KAR 5:076, Section 2. The Commission granted the deviation requested and allowed Oldham District to seek a rate adjustment pursuant to 807 KAR 5:076.⁴

Oldham District requests a hearing pursuant to 807 KAR 5:076, Section 11(3), based on five issues it has identified in the Commission Staff's Report: (1) the correction of the typographic error in Volumetric Retail Rate shown in Appendix B; (2) the failure to increase the Tap Fee; (3) the request to round-down certain nonrecurring charges; (4) the disallowance of certain employee benefit expenses from Oldham District's revenue requirement; and (5) any other issue which Oldham District subsequently identifies and provides written notice to the Commission prior to any scheduled hearing. To date, Oldham District has not identified or provided written notice to the Commission of any additional issues with the Commission Staff's Report other than those identified in the response filed on January 16, 2024. Additionally, Oldham District stated that it does not

³ See Case No. 2023-00118, *Electronic Application of Oldham County Water District for a Deviation From 807 KAR 5:076, Section 2(1) to be Permitted to Use Alternative Rate Filing Procedures* (Ky. PSC May 25, 2023), Order at 1–2.

⁴ See Case No. 2023-00118, May 25, 2023 Order at 1–2.

waive its right to contest findings and recommendations and seeks to reserve the right to contest any additional findings or recommendations at any hearing scheduled in this matter and reserves the right to question Commission Staff on any such findings and contested recommendations set forth in the Commission Staff Report and to present evidence and argument on such findings and recommendations.

Having reviewed the record and considered Oldham District's request, the Commission finds that a hearing should be granted in this case; however, parties cannot reserve their right to contest additional findings and recommendations not addressed in its response to the Commission Staff's Report. Pursuant to 807 KAR 5:076, Section 11(3), parties have 14 days to respond to the Commission Staff's Report with written objections or those objections are deemed waived. Additionally, upon review of the record, the Commission noted that certain responses to information requests were provided by Lacey Cunningham without a sworn certification provided on the record. Oldham District should resolve this deficiency.

IT IS THEREFORE ORDERED that:

1. A hearing in this matter to address the issues brought before the Commission in Oldham District's response to the Commission Staff's Report shall be held on April 2, 2024, at 9 a.m. Eastern Daylight Time and continuing until called from the bench by the presiding officer, in the Richard Raff Hearing Room at the offices of the Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky.

2. Pursuant to 807 KAR 5:001, Section 2, if the hearing is not concluded on the designated day, the hearing may be continued upon verbal announcement by the

presiding officer. A verbal announcement made by the presiding officer shall be proper notice of the continued hearing.

3. Witnesses who sponsor schedules, testimony, or responses to requests for information shall participate in person at the April 2, 2024 hearing.

4. Oldham District shall give notice of the hearing in compliance with 807 KAR 5:001, Section 9(2)(b). In addition, the notice of hearing shall include the following statements: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov" and "Public comments may be made at the beginning of the hearing. Those wishing to make oral public comments may do so by following the instructions listed on the PSC website, psc.ky.gov." At the time the notice is mailed or publication is requested, Oldham District shall forward a duplicate of the notice and request to the Commission.

5. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video transcript shall be made of the hearing.

6. Oldham District shall file a sworn certification for Lacey Cunningham prior to the date of the hearing.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director



*Cameron F. Myers
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*Honorable Damon R Talley
Attorney at Law
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*Lacey Cunningham
Oldham County Water District
P. O. Box 51
Buckner, KY 40010

*Oldham County Water District
P.O. Box 51
2160 Spencer Court
Buckner, KY 40010

*Russell D. Rose
Oldham County Water District
P. O. Box 51
Buckner, KY 40010