

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BUTLER	)	CASE NO.
COUNTY WATER SYSTEM, INC. FOR A RATE	)	2024-00061
ADJUSTMENT PURSUANT TO 807 KAR 5:076	)	

ORDER

On March 14, 2024,<sup>1</sup> Butler County Water System, Inc. (Butler County Water) filed its application with the Commission, pursuant to 807 KAR 5:076, requesting an adjustment to its water rates.<sup>2</sup> The Commission established a procedural schedule by Order dated April 5, 2024, that, among other things, required Commission Staff to file with the Commission and serve upon all parties of record a written report (Commission’s Staff Report) containing its findings and recommendations regarding Butler County Water’s requested water rate adjustment no later than July 15, 2024.

Due to the need for a supplemental information request, the Commission, on its own motion, finds that the procedural schedule established on April 5, 2024, should be amended to afford Commission Staff additional time to prepare and file the Commission

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<sup>1</sup> Butler County Water tendered its application on March 13, 2024. By letter dated March 14, 2024, the Commission rejected the application for filing deficiencies. The deficiencies were subsequently cured, and the application was deemed filed on March 14, 2024.

<sup>2</sup> Pursuant to 807 KAR 5:076, Section 7(2), if the Commission has not issued an order after six months from the date an alternative rate filing, the application is deemed filed and the utility may place the proposed rates into effect, subject to refund, pending the Commission’s order upon filing written notice with the Commission of its intent to do so. Otherwise, an applicant using the alternative rate filing procedure may not place the proposed rates into effect until the Commission has issued an order approving the rates. 807 KAR 5:076, Section 7(1).

Staff's Report. Specifically, the Commission finds that the date for filing the Commission Staff's Report should be extended to August 29, 2024.

After Commission Staff's Report is filed on or before the amended deadline of August 29, 2024, Butler County Water will have 14 days to file a written response to Commission Staff's Report.<sup>3</sup> If Butler County Water does not file written objections to a finding contained in Commission Staff's Report within 14 days after the date of the filing of Commission Staff's Report, it shall be deemed a waiver of all objections to that finding.<sup>4</sup>

In addition, Butler County Water shall file on or before the date set forth in the procedural schedule its response to the Commission Staff's request for information, attached to the Order as Appendix B.

IT IS THEREFORE ORDERED that:

1. The procedural schedule established on April 5, 2024, is amended.
2. The procedural schedule set forth in Appendix A to this Order shall be followed.
3. On or before the date set forth in the procedural schedule, Butler County Water shall file its responses to the Commission Staff's request for information, attached to this Order as Appendix B.
4. Commission Staff's Report shall be filed no later than August 29, 2024.
5. Butler County Water shall file its written response, if any, to Commission Staff's Report within 14 days of the filing of the Commission Staff's Report.

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<sup>3</sup> 807 KAR 5:076, Section 11(3)(a).

<sup>4</sup> 807 KAR 5:076, Section 11(3)(c).

6. All provisions of the Commission's April 5, 2024 Order that are in conflict with the provisions of this Order are vacated, and all other provisions not in conflict with the provisions of this Order shall remain in effect.

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PUBLIC SERVICE COMMISSION

\_\_\_\_\_  
Chairman



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Vice Chairman



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Commissioner



ATTEST:



\_\_\_\_\_  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2024-00061 DATED JUL 05 2024

Butler County Water shall file responses to the request for  
information no later than.....07/22/2024

Commission Staff's Report shall be filed no later than.....08/29/2024

## APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2024-00061 DATED JUL 05 2024

### COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION TO BUTLER COUNTY WATER SYSTEM, INC.

Butler County Water System, Inc. (Butler County Water), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on July 11, 2024. The Commission directs Butler County Water to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>5</sup> regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Butler County Water shall make timely amendment to any prior response if Butler County Water obtains information that indicates the response was incorrect or incomplete

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<sup>5</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Butler County Water fails or refuses to furnish all or part of the requested information, Butler County Water shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Butler County Water shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the replacement file for Butler County Water's response to Commission Staff's First Request for Information (Staff's First Request), Item 5, 5\_Butler\_County\_Rate\_Model.xlsx, Dep Adj Tab, Cell J19. Provide the calculations Butler County Water used to determine the \$75,655 adjustment amount.

2. Refer to Butler County Water's response to Staff's First Request, Item 17, Attachment 17\_Depreciation.xlsx.

- a. Specify which of the 5/8" meters on the Excel spreadsheet are Badger M25 meters.

b. Specify the manufacturer of each type of meter on the Excel spreadsheet.

c. Identify if any of the Badger meters are still under warranty and if any, explain any warranty benefits.

d. State the number and age of any 5/8 meters that are not the Badger M25 meters in use by Butler County Water.

3. Refer to Butler County Water's response to Staff's First Request, Item 16.

a. Explain whether Badger M25 Size 5/8 meters that are approaching 10 years of service would likely be replaced under the 15-year warranty. If so, explain what effect this replacement would have on the meters' useful life.

b. Provide copies of the warranty information for Badger M25 Size 5/8 Meters.

c. Provide documentation of any requests Butler County Water has made in regards to replacing the Badger M25 Size 5/8 meters pursuant to the 15-year warranty.

d. Provide any information regarding Butler County Water's success at replacing Badger M25 Size 5/8 Meters under warranty.

4. For all non-Badger meters, explain whether Butler County Water believes that a 20-year service life is still appropriate. If not, explain why not and identify what service life would be more appropriate.

5. State whether Butler County Water believes that setting all meters at a 15-year useful life in a depreciation schedule would be reasonable. If not, explain why not.

6. Provide the failure rate for all non-Badger meters, including the inputs used to determine the calculation.
7. Explain what Butler County Water's plan is for replacing failing meters.
8. State whether Butler County Water plans to replace any failing meters with upgraded metering technology. If so, explain what those plans are.

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