

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE )  
WHOLESALE WATER SERVICE RATES OF ) CASE NO. 96-326  
THE MUNICIPAL WATER SYSTEM OF THE )  
CITY OF HODGENVILLE, KENTUCKY )

O R D E R

On April 5, 1996, the City of Hodgenville, Kentucky ("Hodgenville") submitted a copy of an ordinance enacted June 12, 1995, in which it revised its rates to customers outside its city limits. On June 19, 1996, it submitted evidence of publication of notice of this revision to its wholesale customers and to those persons served by these wholesale customers.

In Administrative Case No. 351,<sup>1</sup> the Commission gave notice to all municipal utilities that, as a result of the Kentucky Supreme Court's holding in Simpson County Water District v. City of Franklin, Ky., 872 S.W.2d 460 (1994), the Commission had jurisdiction over the wholesale rates and service of municipal utilities. It further advised all municipal utilities that any change or revision to a contract or rate for wholesale utility service to a public utility must be made 30 days prior to the effective date of the revision and the revised rate schedule must conform to Commission Regulation 807 KAR 5:011.

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<sup>1</sup> Administrative Case No. 351, Submission of Contracts and Rates of Municipal Utilities Providing Wholesale Utility Service to Public utilities (Aug. 10, 1994).

Hodgenville has not complied with these requirements. It has neither submitted the required rate schedules nor provided the Commission with the requisite 30-day notice as KRS 278.180 requires. Accordingly, Hodgenville may not charge the revised rate to any public utility which is a wholesale customer. Furthermore, the Commission will not consider Hodgenville's proposed revision as filed nor will the time requirements set forth in KRS 278.190 begin to run until the required rate schedules are filed.

LaRue County Water District ("LaRue"), a public utility which purchases water for resale from Hodgenville, has moved for full intervention in this matter. Having considered LaRue's motion, the Commission finds that LaRue has a special interest in this proceeding which is not otherwise adequately represented and that its intervention is likely to present issues or to develop facts that assist the Commission in fully considering the matter without unduly complicating or disrupting this proceeding.

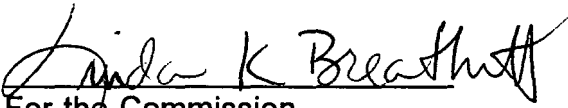
IT IS THEREFORE ORDERED that:

1. Hodgenville shall file within 30 days of the date of this Order a rate schedule which sets forth its revised rates to all wholesale customers which are public utilities. This rate schedule shall comply with 807 KAR 5:011.
2. Within 60 days of the date of this Order, Hodgenville shall submit the information required by 807 KAR 5:001, Section 10. To the extent that Hodgenville considers any of the requirements of this regulation to be onerous or inapplicable, it may petition for a deviation from them.
3. LaRue is hereby granted leave to intervene in this matter.


4. Any party filing testimony, exhibits, pleadings, correspondence, or any other documents with the Commission shall serve a copy of such documents on all parties of record.

Done at Frankfort, Kentucky, this 12th day of July, 1996.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director