

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HARDIN COUNTY)	
WATER DISTRICT NO. 1 FOR A GENERAL)	CASE NO. 2006-00410
RATE ADJUSTMENT EFFECTIVE ON AND)	
AFTER DECEMBER 2, 2006)	

O R D E R

On November 2, 2006, Hardin County Water District No. 1 (“Hardin District”) tendered its application for an adjustment of rates. Because this application failed to comply with Administrative Regulation 807 KAR 5:001, Section 10(3)(a), the Commission’s Executive Director rejected it.¹ On November 13, 2006, Hardin District supplemented its earlier submission and submitted revised Exhibits 5, 6, and 7. The Executive Director accepted this supplemented and revised application for filing.

In the letter accompanying its supplemental filing, Hardin District states that “[t]he effective date of the proposed rate and tariff adjustment has been changed to December 14, 2006.”² Each of the revised tariff sheets included in the supplemental filing stated a “date of issue” of December 14, 2006, but did not state an effective date nor was it signed by an officer of the utility.³

¹ See Administrative Regulation 807 KAR 5:001, Section 2(2) (permits the Commission’s Executive Director “to reject for filing any document that does not comply with the rules and administrative regulations of the commission.”)

² Letter from David T. Wilson II, counsel for Hardin County Water District No. 1, to Michael Burford, Director, Filings Division (Nov. 9, 2006).

³ The original tariff that Hardin District submitted also failed to state an effective date and was unsigned.

KRS 278.180(1) provides that “no change shall be made by any utility in any rate except upon thirty (30) days’ notice to the commission, stating plainly the changes proposed to be made and the time when the changed rates will go into effect.” Pursuant to KRS 278.040(3),⁴ the Commission has promulgated Administrative Regulation 807 KAR 5:011, Section 9(1), that specifies:

When a new tariff has been so issued and notice thereof given to the commission and the public **in all respects as hereinbefore provided**, such **tariff will become effective on the date stated therein** unless the operation thereof be suspended and the rates and administrative regulations therein be deferred by an order of the commission pending a hearing concerning the propriety of the proposed rates and administrative regulations under KRS 278.190 [emphasis added].

As Hardin District has failed to provide revised tariff sheets that state an effective date or include the signature of a utility officer,⁵ it has not provided adequate notice and it cannot place its proposed rates into effect on December 14, 2006. If it wishes to place the proposed rates into effect, it must resubmit the tariff sheets with an effective date and with the signature of a utility official who is authorized to sign such documents.

Having considered the proposed rate revision and being otherwise sufficiently advised, the Commission finds that, pursuant to KRS 278.190, further proceedings are

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The commission may adopt, in keeping with KRS Chapter 13A, reasonable regulations to implement the provisions of KRS Chapter 278 and investigate the methods and practices of utilities to require them to conform to the laws of this state, and to all reasonable rules, regulations and orders of the commission not contrary to law.

⁵ See Administrative Regulation 807 KAR 5:011, Section 3(5)(c) and (d); Section 4(4)(a); Section 6(4).

necessary to determine the reasonableness of the proposed rate adjustment and that a procedure schedule should be established to ensure an orderly and expeditious review of the proposed rate adjustment.

Hardin District has moved for an extension of time to respond to Commission Staff's First Information Request. The Commission finds that this motion should be granted and that Hardin District should be permitted until January 5, 2007 to file its response to Commission Staff's First Information Request with the Commission.

IT IS THEREFORE ORDERED that:

1. This proceeding is established to investigate the reasonableness of Hardin District's proposed rate adjustment.
2. Hardin District's motion to extend the time in which to respond to Commission Staff's First Information Request is granted.
3. Hardin District shall file its response to Commission Staff's First Information Request with the Commission no later than January 5, 2007.
4. If Hardin District wishes to place its proposed rates into effect prior to the conclusion of this proceeding, it shall refile its proposed tariff with the Commission in accordance with KRS 278.180 and Administrative Regulation 807 KAR 5:011.
5. The procedural schedule set forth in Appendix A shall be followed.
6. a. All responses to requests for information shall be appropriately indexed. All responses shall include the name of the witness who will be responsible for responding to the questions related to the information provided, with copies to all parties of record and 8 copies to the Commission.

b. Each response shall be under oath or accompanied by a signed certification of the preparer or 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.

c. A party shall make timely amendment to any prior response if it obtains information upon the basis of which it knows that the response was incorrect when made, or though correct when made is now incorrect in any material respect.

d. For any request to which a party refuses to furnish the requested information that party shall provide a written explanation of the specific grounds for its failure to furnish.

7. At any hearing in this matter, neither opening statements nor summarization of direct testimony shall be permitted.

8. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

9. All documents that this Order requires to be filed with the Commission shall be served upon all other parties.

10. Service of any document or pleading shall be made in accordance with 807 KAR 5:001, Section 3(7), and Kentucky Civil Rule 5.02.

11. Hardin District shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, Hardin District shall forward a duplicate of the notice and request to the Commission.

12. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 15th day of December, 2006.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end, positioned above a solid horizontal line.

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2006-00410 DATED DECEMBER 15, 2006

Hardin District shall file with the Commission and
serve upon all parties of record its responses to
Commission Staff's initial request for information no latter than 01/05/07

All parties and Commission Staff shall serve their requests
for information to Hardin District no later than 01/22/07

Hardin District shall file with the Commission and
serve upon all parties of record its responses to the
requests for information no later than 02/08/07

All parties and Commission Staff shall serve their
supplemental requests for information upon Hardin
District no later than 02/23/07

Hardin District shall file with the Commission and serve
upon all parties of record its responses to the
supplemental requests for information no later than 03/09/07

Intervenor testimony, if any, shall be filed with the
Commission in verified prepared form no later than 03/23/07

All requests for information to any Intervenor shall
be served upon that Intervenor no later than 04/06/07

Intervenors shall file with the Commission and
serve upon all parties of record their responses to
the requests for information no later than 04/20/07

Hardin District may file with the Commission the
testimony of its rebuttal witnesses in written verified
form no later than 04/27/07

Last day for Hardin District to publish notice of the
hearing date (To be scheduled)

Public Hearing is to begin at 9:00 a.m., Eastern
Daylight Time, in Hearing Room 1 of the Commission's
offices at 211 Sower Boulevard, Frankfort, Kentucky,
for the purpose of cross-examination of witnesses of
Hardin District and Intervenors (To be scheduled)