

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF APPALACHIAN WASTE)	
CONTROL FOR AN ADJUSTMENT IN RATES)	
PURSUANT TO THE ALTERNATIVE RATE FILING)	CASE NO. 2007-00093
PROCEDURE FOR SMALL UTILITIES AND)	
REQUEST FOR INTERIM RELIEF)	

ORDER

Appalachian Waste Control, Inc. (“Appalachian Waste Control”) has applied for an adjustment in the rates of the 5 sewage treatment plants that it operates in Johnson County, Kentucky. It has moved for a deviation from Administrative Regulation 807 KAR 5:076, Section 1, a reduction in the 30-day notice period to the Commission to 20 days, and authority to place the proposed rate into effect immediately.¹

In reviewing this motion, the Commission takes administrative notice of the records of Cases No. 2002-00396² and No. 2006-00569.³ The Commission finds that,

¹ On March 20, 2007, Squire N. Williams III, the special master appointed to operate Appalachian Waste Control, notified the Commission of the utility’s intent to file an application for rate adjustment and requested that a hearing be scheduled on the utility’s proposed request for interim rate relief. On March 30, 2007, it tendered its application for rate adjustment and moved for a deviation from Administrative Regulation 807 KAR 5:076 and for interim rate relief. At the time of tendering its application, the utility mailed notice of its application and the hearing on the motion for interim rate relief to its customers. On April 9, 2007, Appalachian Waste Control filed a tariff sheet in which it set forth its proposed rates and an effective date of April 29, 2007.

² Case No. 2002-00396, Gary K. Fairchild; Appalachian Waste Control, Inc.; and Lance Bowling d/b/a East Kentucky Waste Control – Alleged Failure to Comply With 807 KAR 5:071, Section 7(1); KRS 278.020(5) and (6); KRS 278.150(2); and KRS 278.160(2) (Ky. PSC Jan. 19, 2007).

³ Case No. 2006-00569, An Investigation into the Operation and Management of Appalachian Waste Control, Inc. (Ky. PSC initiated Jan. 30, 2007).

given the unique circumstances surrounding Appalachian Waste Control's operation and management over for the past 3 years, good cause exists to permit the utility to deviate from Administrative Regulation 807 KAR 5:076, Section 1, and to use the alternative rate adjustment filing procedure despite the utility's failure to file fully completed annual reports with the Commission for the last 2 years. We further find that, because of the alleged potential consequences of delaying implementation of the proposed rate adjustment, the 30-day notice period set forth in KRS 278.180(1) should be shortened to 20 days.

The Commission notes that Administrative Regulation 807 KAR 5:076, Section 6, requires that notice of any hearing on a proposed application filed pursuant to the alternative rate filing procedure be published in a newspaper of general circulation. In the case before us, the utility has included notice of the proposed hearing in its notice of rate adjustment that was mailed to each known customer of the utility. We find that, as this method of notice is likely to be more effective and will reduce rate case expenses, a deviation from the provisions of Administrative Regulation 807 KAR 5:076, Section 6, should be granted for the requested hearing on the interim rate relief.

IT IS THEREFORE ORDERED that:

1. Appalachian Waste Control is permitted to deviate from Administrative Regulation 807 KAR 5:076, Section 1.
2. Appalachian Waste Control's application shall be considered filed as of the date of this Order.
3. The notice of the proposed adjustment to the Commission is reduced from 30 days to 20 days.

4. A hearing on Appalachian Waste Control's motion to place the proposed rate into effect on or after April 29, 2007 shall be held on April 10, 2007, beginning at 8:30 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.

5. Appalachian Waste Control is permitted to deviate from Administrative Regulation 807 KAR 5:076, Section 6, to provide by mail notice of the hearing on its motion to place the proposed rate into effect on or after April 29, 2007.

Done at Frankfort, Kentucky, this 9th day of April, 2007.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and flourishes, positioned above a horizontal line.

Executive Director