COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

Application of Water Service Corporation of Kentucky for a General Adjustment in Existing Rates

Case No. 2013-00237

WATER SERVICE CORPORATION OF KENTUCKY'S RESPONSE TO CITY OF CLINTON'S MOTION TO INTERVENE

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On October 24, 2013, the City of Clinton (the "City") filed a motion to intervene in the above-styled case. Section 4(11)(b) of 807 KAR 5:001 articulates the standard by which

intervention is granted in Commission cases. It states:

The commission shall grant a person leave to intervene if the commission finds that a person has a special interest in the case that is not otherwise adequately represented or that intervention is likely to present issues or to develop facts that assist the commission in fully considering the matter without unduly complicating or disrupting the proceedings.

Because the City has not demonstrated any of the elements of this standard, Water Service Corporation of Kentucky ("WSCK") opposes the City's motion.

The City's primary focus of its motion relates to the contractual relationship between WSCK and the City, whereby WSCK operates the city-owned wastewater facilities. WSCK strives to maintain an excellent working relationship with the City, as it views the contractual relationship to be mutually beneficial. As the Commission has previously recognized, however, WSCK's sewer operations are outside the jurisdiction of the Commission. <u>See Water Service</u>

<u>Corp. of Kentucky</u>, Case No. 2008-00563 at 25-27 (Ky. P.S.C. Nov. 9, 2009). WSCK's revenues generated by or expenditures towards these sewer operations have no impact on the rates for water service on which the Commission will determine the reasonableness. <u>See id.</u> Accordingly, this is not an issue that presents the City with a special interest or is likely to present issues or develop facts that would assist the commission in fully considering the matter.

The City also argues that a rate increase would adversely impact large populations of the City that are over the age of 62 or on fixed or limited income. The City, however, fails to provide any explanation on why it would be an adequate party to represent either of these groups. Again, the City has failed to explain how it has a special interest or is likely to present issues or develop facts that would assist the commission in fully considering the matter. Rather, the Attorney General, who is statutorily empowered to represent utility consumers, has been granted intervention in this matter, and can adequately represent the groups mentioned by the City.

In WSCK's last general rate case, the Commission denied the City's motion to intervene, which was virtually identical to the motion that has been filed in the present case. <u>See Water</u> <u>Service Corp. of Kentucky</u>, Case No. 2010-00476 (Ky. P.S.C. Jul. 13, 2011). The circumstances have not changed, nor has the legal standard. Accordingly, the Commission should deny the motion presently before it.

Respectfully submitted,

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