

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN)
KENTUCKY WATER DISTRICT FOR) Case No. 2015-00143
AN ADJUSTMENT OF RATES)

MOTION

Northern Kentucky Water District (NKWD), by counsel, pursuant to the matters discussed in a conference with Commission Staff on November 19, 2015, and in consideration of the comments by the Staff, moves to substitute its response to PSC Data Request 3, Item 1, Schedule 2. The substituted schedule corrects errors in the salaries and benefits of certain full time District employees.

As reflected in the attached schedules, the change in the revenue from the corrections to Schedule 2, as indicated by the difference of \$107,692, per the Addendum to the Schedule, is minimal and results in no increase in rates over those originally proposed. NKWD is not seeking to recover any additional revenue or to change the rates originally proposed in the application.

Because NKWD has requested in this case less revenue than it could have, i.e., no known and measurable operating expense/revenue adjustments, 85% depreciation recovery and exclusion of subordinate debt in the calculation of coverage, it hoped to minimize rate case expense, the need for extensive witness input and preparation and a hearing. Just adding full depreciation and debt service coverage to the revenue calculation results in a revenue requirement of \$7,029,780, a 13.9% increase, compared to the requested revenue of \$4,840,032 or a 9% increase.

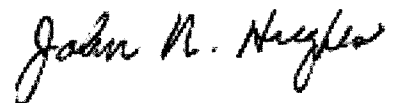
Based on the discussions with Staff, the revisions to Schedule 2 are the only contested issues with the rate application. NKWD moves to limit the scope of the hearing to this issue and changes to the attached schedules.

Consistent with this limited scope of review, NKWD moves to excuse its Cost of Service witness, Connie Heppenstall, from appearing at the hearing. Ms. Heppenstall is located in Audubon, PA. Unless there are matters related to the cost study not identified at the conference, it would be an unnecessary expense to have her present at the hearing. NKWD asserts that there are no issues that have been raised that would warrant the additional expense of Ms. Heppenstall's appearance at the hearing.

In the alternative, NKWD moves to submit the case based on the record as revised by the attached schedule without a hearing.

For this reason, NKWD requests an order consistent with the motion.

SUBMITTED BY:



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