COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CALDWELL COUNTY)	
WATER DISTRICT FOR RATE ADJUSTMENT)	Case No.
PURSUANT TO 807 KAR 5:076)	2016-00054

ATTORNEY GENERAL'S COMMENTS ON REHEARING

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and pursuant to the Commission's August 24, 2016 Order tenders the following comments in the above-styled matter. These Comments represent the Attorney General's position on the issues afforded re-hearing in this matter, namely: (1) Caldwell County Water District's (hereinafter "Caldwell") wage increase granted to its employees and (2) the level of Caldwell's water loss. For the reasons stated herein, the Attorney General believes the record is complete in so far as it now provides adequate evidence upon which the decision shall be made.

As previously noted, the Attorney General raised the issue in his Motion for Rehearing and Reconsideration that Caldwell did not provide evidence to justify any wage increase, and no evidence of the same existed elsewhere in the record.¹ Now, following discovery on the wage increase, and Caldwell's justification of said increase, adequate evidence is now in the record

¹ Attorney General's Motion for Rehearing and Reconsideration, page 2-4. 8/10/2016.

pursuant to 807 KAR 5:076(3) in order for the Commission to base its decision.² Furthermore, the Attorney General noted in his previous Comments and Motion for Rehearing that he believed there was a possibility of water loss that exceeded the amount allowed by 807 KAR 5:066 (6), but that he was unable to perform the discovery necessary to assert the issue.³ After performing discovery on this topic and a witness for Caldwell explaining the source of confusion for the Attorney General, the record, which also includes the last 2 years of annual reports, is sufficient to show that there is no evidence that the test year water loss exceeded 15%.⁴

WHEREFORE, the Attorney General of the Commonwealth of Kentucky requests the Commission decide this case upon the record as presented.

Respectfully submitted,

ANDY BESHEAR ATTORNEY GENERAL

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² Caldwell County Water District Response to Attorney's Generals Request for Information, page 2. (9/20/2016)

³ Attorney General's Comments, page 7-8. 5/18/2016; Attorney General's Motion for Rehearing and Reconsideration, page 5-6. (8/10/2016)

⁴ Caldwell County Water District Response to Attorney's Generals Request for Information, page 2. (9/20/2016)