#### COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

### In the Matter of:

ELECTRONIC APPLICATION OF ESTILL	)	
COUNTY WATER DISTRICT NO. 1 FOR	)	CASE NO. 2017-00176
RATE ADJUSTMENT PURSUANT TO 807	)	
KAR 5:076	)	

# MOTION FOR LEAVE TO FILE LATE RESPONSE TO STAFF REPORT

Estill County Water District No. 1 ("Estill District") moves for leave to file the attached "Response to The Findings and Recommendations Contained in The Commission Staff's Report". In support of its motion, Estill District states:

- 1. On May 10, 2017, Estill District applied to the Public Service Commission ("Commission") for an adjustment of its rates pursuant to 807 KAR 5:076. As 807 KAR 5:076, Section 13, it prepared and filed its application without the assistance of legal counsel.
- 2. On June 12, 2017 the Commission ordered Commission Staff to prepare a report containing its findings and recommendations regarding Estill District's proposed rate adjustment. It further provided the opportunity for Estill District to respond to Commission Staff's findings and recommendations, provide additional evidence, and request a hearing within 14 days of the report's issuance.
- 3. On August 9, 2017, Commission Staff issued a report containing its findings and recommendations regarding Estill District's application for rate adjustment. It found, among other things, that Estill District had issued evidences of debt without Commission authorization in violation of KRS 278.300 and cautioned that the members of Estill District's Board of Commissioners could be held accountable and face the assessment of civil penalties for any unauthorized issuances.

- 3. On August 18, 2017, the Commission ordered that a hearing be held "to take evidence on Estill District's application for a rate adjustment" and that the scope of the hearing include the issues of line loss, the alleged issuance of evidences of indebtedness without prior Commission authorization, and Estill District's use of the proceeds of such issuances. The Commission directed that Estill District produce the members of its Board of Commissioners and its office manager for cross-examination at the hearing.
- 4. At the time of its receipt of the Commission Staff Report and the Commission's Order of August 18, 2017, Estill District lacked legal counsel and did not retain legal counsel until after the time period for submission of a response had elapsed. Given the nature of the Commission Staff's findings and the potential adverse outcomes that may result from the Commission's acceptance of such findings, Estill District's Board of Commissioners believed that the most appropriate and reasonable course of action was to retain legal counsel prior to submission of a response. Estill District acknowledges, however, that an extension of time to submit a response to the Commission Staff Report should have been sought while the water district obtained legal counsel.
- Estill District wishes to respond to the findings set forth in the Commission Staff
  Report.
- 6. The Commission is not barred or otherwise precluded from accepting a late response to the Commission Staff Report. 807 KAR 5:076 does not prescribe a time period for submission of a response to a Commission Staff Report. The Commission established the time period for a response in its Order of June 12, 2017 and may issue further orders that revise or supersede that Order.

7. As there are no other parties to this proceeding and as a hearing in this matter is scheduled for November 1, 2017, permitting a late response will not prejudice any person, will ensure that the Commission has a better and more complete understanding of Estill District's position on the findings and recommendations contained in the Commission Staff Report, and may facilitate a more expeditious resolution to this proceeding.

WHEREFORE, Estill County Water District No. 1 requests that the Commission accept for filing the attached "Response to The Findings and Recommendations Contained in The Commission Staff's Report."

Dated: October 9, 2017

Respectfully submitted,

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### **CERTIFICATE OF SERVICE**

In accordance with 807 KAR 5:001, Section 8, I certify that Estill County Water District No. 1's electronic filing of this Motion is a true and accurate copy of the same document being filed in paper medium; that the electronic filing was transmitted to the Public Service Commission on October 9, 2017; that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of this Notice of Appearance will be delivered to the Public Service Commission on or before October 11, 2017.

Counsel for Estill County Water District No. 1