

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF)	
COMMERCIAL PROPANE SERVICE LLC)	CASE NO. 2017-00343
FOR RATE ADJUSTMENT PURSUANT TO)	
807 KAR 5:076)	

MOTION FOR RECONSIDERATION

Pursuant to KRS 278.400, Commercial Propane Service LLC (“CPS”), by counsel, moves for reconsideration of the Commission’s Order of December 18, 2017 in which the Commission advised that Commission Staff would not prepare a report on CPS’s application for rate adjustment and further required each party to file an original and six paper copies of any paper that it files in this matter. More specifically, CPS requests that the Commission amend its Order to direct the issuance of a Commission Staff report on the application and to reduce the number of required copies in paper medium of any paper filed with the Commission to one copy.

In support of this Petition, CPS states:

1. CPS filed its Application in this proceeding pursuant 807 KAR 5:076 which “establishes a simplified and less expensive procedure for small utilities . . . to apply to the [C]ommission for rate adjustment.”

2. 807 KAR 5:076 authorizes the Commission to direct Commission Staff to prepare a report containing its findings and recommendations regarding the rates contained in an application for rate adjustment filed under that regulation. Use of a Commission Staff report avoids the need for extensive discovery. Rather than rely upon lengthy and extensive requests for information to obtain the information to ascertain the reasonableness of the proposed rates and ensure an adequate record upon which the Commission may base its decision, Commission

Staff conducts an onsite review of the applicant's records, gathers copies of all pertinent documents, and interviews the applicant's employees. It then prepares a report of its findings and recommendations upon which the parties may comment. This process allows the parties and Commission Staff to identify and resolve any disputed issues without the need of a hearing.

3. CPS is the prototypical candidate for use of a Commission Staff report. It has only 59 customers. Its test period revenues were approximately \$47,120. It is a small, family-owned business. Its operations are relatively simple, its recordkeeping practices are very basic, and the amount of documentary evidence necessary to verify its financial operations is small. Given CPS's relatively small number of customers over which CPS must spread any rate case expense, avoiding more litigation intensive procedures such as requests for information will reduce the likelihood of larger rate increases by reducing rate case expense.

4. Exhibits I and II to this Motion compare by number of customers and level of annual revenues the applicants who in 2017 applied for a rate adjustment using the alternative rate adjustment procedures for rate set forth in 807 KAR 5:076. Based upon number of customers and level of annual revenues, CPS is one of the smallest utilities to request a rate adjustment using alternative rate adjustment procedures this year. In 2017, the Commission routinely used a Commission Staff Report in cases involving larger utilities with more complex operations. Given CPS's small size and simple operations, there appears to be no reason why the use of more litigation intensive procedures such as requests for information is appropriate for CPS when it was not found appropriate in the cases involving much larger utilities.

5. Requiring a Commission Staff Report in this case benefits CPS and the Commission. For CPS, it eliminates the need for attorney involvement in the discovery process and thus reduces rate case expenses. CPS can make its records available for Commission Staff

inspection and can answer questions in face-to-face encounters with Commission Staff. As it apprises CPS and other parties of Commission Staff's recommendations, a Commission Staff report will reduce the likelihood for unnecessary requests for hearing. For the Commission, it allows Commission Staff an informal and more effective means of gathering evidence. Commission Staff members can inspect and copy applicant records during a site visit as well as interview CPS's officials. They can also make immediate follow-up inquiries to CPS officials' responses to initial questions. Numerous lengthy and time-consuming written requests for information can be avoided. The end-result is a more efficient and productive use of scarce Commission resources.

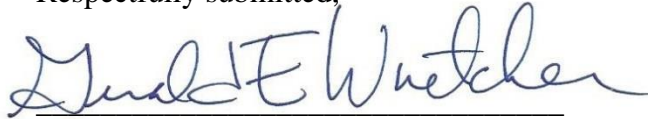
6. Similarly, CPS's limited customer base and revenues support reconsideration of the requirement for the submission of an original and six paper copies of any filed paper. Pursuant to 807 KAR 5:001, Section 8, CPS elected the use of electronic filing procedures to reduce its rate case expenses. These procedures require the filing of only one copy in paper medium of a document submitted electronically. By its Order of December 18, 2017, the Commission sextupled this number and thus increased the expense of this proceeding for all parties. To reduce rate case expense, CPS requests that the Commission require only an electronic copy accompanied by one paper copy in accordance with 807 KAR 5:001, Section 8.

WHEREFORE, Commercial Propane Service LLC respectfully requests that the Commission reconsider its Order of December 18, 2017 and amend that Order to:

1. Provide that a Commission Staff Report will be issued in this proceeding;
- and
2. Permit all parties to file papers by submitting an electronic copy and one paper copy only in accordance with 807 KAR 5:001, Section 8.

Dated: December 22, 2017

Respectfully submitted,



Gerald E. Wuetcher
Stoll Keenon Ogden PLLC
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507-1801
gerald.wuetcher@skofirm.com
Telephone: (859) 231-3017
Fax: (859) 259-3517

Joseph T. Mandlehr
Stoll Keenon Ogden PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202
Telephone: (502) 333-6000
Fax: (502) 627-8722
joseph.mandlehr@skofirm.com

Counsel for Commercial Propane Service LLC

CERTIFICATE OF SERVICE

This is to certify that Commercial Propane Service LLC's December 22, 2017 electronic filing of the Motion for Reconsideration is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on December 22, 2017; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and six copies in paper medium of the Motion will be delivered to the Commission no later than December 28, 2017.



Gerald E. Wuetcher

Counsel for Commercial Propane Service LLC

EXHIBIT I

**APPLICATIONS FILED WITH PUBLIC SERVICE COMMISSION
IN 2017 USING ALTERNATIVE RATE FILING PROCEDURES**

**RANKED BY NUMBER OF CUSTOMERS
(HIGHEST-TO-LOWEST)**

Case No	Utility	Type	No. of Customers	Annual Revenues	Procedure
2017-00172	Western Pulaski County Water District	Water	8,455	\$2,902,084	Report
2017-00263	Kentucky Frontier Gas, LLC	Gas	5,050	\$3,923,853	Requests for Information
2017-00176	Estill County Water District No. 1	Water	3,760	\$1,540,531	Report
2017-00070	Monroe County Water District	Water	3,476	\$1,681,401	Report
2017-00420	South Hopkins Water District	Water	2,960	\$1,427,900	Report
2017-00211	Letcher County Water & Sewer District	Water	2,953	\$1,272,924	Report
2017-00338	U.S. 60 Water District of Franklin & Shelby Counties	Water	2,432	\$1,122,897	Report
2017-00323	Jonathan Creek Water District	Water	2,405	\$ 888,753	Report
2017-00140	Breathitt County Water District	Water	1,785	\$ 873,223	Report
2017-00309	Cawood Water District	Water	1,655	\$ 794,751	Report
2017-00319	West McCracken County Water District	Water	1,494	\$ 660,976	Report
2017-00253	North McLean County Water District	Water	1,303	\$ 619,929	Report
2017-00244	West Carroll Water District	Water	959	\$ 509,130	Report
2017-00191	Dexter-Almo Heights Water District	Water	811	\$ 211,119	Report
2017-00074	Western Lewis Rectorville Water & Gas District	Gas	550	\$ 394,661	Report
2017-00160	CitiPower, LLC	Gas	447	\$ 891,692	Requests for Information
2017-00371	Symsonia Water District	Water	318	\$ 100,170	Report
2017-00343	Commercial Propane Service LLC	Gas	59	\$ 47,120	Requests for Information
2017-00311	Herrington Haven Wastewater Company, Inc	Sewer	20	\$ 8,517	Report

EXHIBIT II

APPLICATIONS FILED WITH PUBLIC SERVICE COMMISSION IN 2017 USING ALTERNATIVE RATE FILING PROCEDURES

RANKED BY ANNUAL REVENUES (HIGHEST-TO-LOWEST)

Case No	Utility	Type	No. of Customers	Annual Revenues	Procedure
2017-00263	Kentucky Frontier Gas, LLC	Gas	5,050	\$3,923,853	Requests for Information
2017-00172	Western Pulaski County Water District	Water	8,455	\$2,902,084	Report
2017-00070	Monroe County Water District	Water	3,476	\$1,681,401	Report
2017-00176	Estill County Water District No. 1	Water	3,760	\$1,540,531	Report
2017-00420	South Hopkins Water District	Water	2,960	\$1,427,900	Report
2017-00211	Letcher County Water & Sewer District	Water	2,953	\$1,272,924	Report
2017-00338	U.S. 60 Water District of Franklin & Shelby Counties	Water	2,432	\$1,122,897	Report
2017-00160	CitiPower, LLC	Gas	447	\$ 891,692	Requests for Information
2017-00323	Jonathan Creek Water District	Water	2,405	\$ 888,753	Report
2017-00140	Breathitt County Water District	Water	1,785	\$ 873,223	Report
2017-00309	Cawood Water District	Water	1,655	\$ 794,751	Report
2017-00319	West McCracken County Water District	Water	1,494	\$ 660,976	Report
2017-00253	North McLean County Water District	Water	1,303	\$ 619,929	Report
2017-00244	West Carroll Water District	Water	959	\$ 509,130	Report
2017-00074	Western Lewis Rectorville Water & Gas District	Gas	550	\$ 394,661	Report
2017-00191	Dexter-Almo Heights Water District	Water	811	\$ 211,119	Report
2017-00371	Symsonia Water District	Water	318	\$ 100,170	Report
2017-00343	Commercial Propane Service LLC	Gas	59	\$ 47,120	Requests for Information
2017-00311	Herrington Haven Wastewater Company, Inc.	Sewer	20	\$ 8,517	Report