

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MONROE COUNTY)
WATER DISTRICT TO MODIFY THE ORDER)
OF MARCH 18, 2016 IN CASE NO. 2015-00315)
TO REFLECT REVISIONS IN THE DESIGN) **CASE NO. 2018-00148**
OF THE APPROVED WATER TREATMENT)
FACILITY AND IN THE ASSISTANCE)
AGREEMENT WITH THE KENTUCKY)
INFRASTRUCTURE AUTHORITY)

MOTION TO INCORPORATE RECORD AND
TO PERMIT DEVIATION FROM CERTAIN FILING REQUIREMENTS

Pursuant to 807 KAR 5:001, Section 11(5) and Section 22, Monroe County Water District (“Monroe District”) moves for an Order incorporating by reference the record of Case No. 2015-00315¹ into the record of this proceeding and permitting Monroe District to deviate from certain filing requirements set forth in 807 KAR 5:001, Section 15.

In support of its Motion, Monroe District states:

A. Incorporation of the Record of Case No. 2015-00315

1. The Commission’s Rules of Procedure permit the incorporation by reference of documents and materials from other Commission proceedings. 807 KAR 5:001, Section 11(5) provides: “Upon motion of a party to a proceeding, or upon the commission’s own motion, the record of a case in the commission’s files or any document on file with the commission may be made a part of the record by ‘reference only.’”

2. The record of Case No. 2015-00315 is relevant and material to the relief that Monroe District seeks in the current proceeding. Monroe District applies for modifications to

¹ *The Application of Monroe County Water District For Authorization To Enter An Assistance Agreement With the Kentucky Infrastructure Authority and For a Certificate of Public Convenience To Construct a Water Treatment Facility, Elevated Storage Tank, and Water Transmission and Distribution Mains, Case No. 2015-00315 (Ky. PSC filed Feb. 18, 2016).*

the Commission's Order of March 18, 2016 in Case No. 2015-00315 to allow Monroe District to alter the design of the approved water treatment facility and to authorize an increase in the amount that Monroe District may borrow under the terms of the approved Assistance Agreement with the Kentucky Infrastructure Authority ("KIA") from \$15,564,032 to \$15,675,378.

3. In its application, Monroe District makes extensive references to the record of Case No. 2015-00315.

4. Given the nature of Monroe District's requested relief, the Commission will likely require extensive reference to documents and materials contained in Case No. 2015-00315.

5. Incorporation by reference of the record of Case No. 2015-00315 into the record of this proceeding will permit the Commission to properly consider the documents and materials from the earlier proceeding without creating and submitting to the Commission a physical duplicate of those documents and materials and will thus promote administrative economy.

B. Deviation from Certain Filing Requirements

6. To the extent that the Commission considers Monroe District's Application as a request for a certificate of public convenience, it must comply with 807 KAR 5:011, Section 15. Section 15(2)(b) requires that an application for a certificate of public convenience and necessity contain "[c]opies of franchises or permits, if any, from the proper public authority for the proposed construction or extension, if not previously filed with the commission."

7. In its application, Monroe District requests that the Commission modify its Order of March 18, 2016 to include and approve the construction of a one-million gallon flocculation and sedimentation basin. The plans and specifications for the proposed basin require the approval of the Kentucky Division of Water ("KDOW"). Monroe District submitted its application for such approval to the KDOW on April 20, 2018, but has not yet received final approval of those plans and specifications.

8. As explained in Monroe District's Application, KDOW only recently informed Monroe District that its newly constructed water treatment facility was not in compliance with KDOW regulations. KDOW provided the first written notice of this deficiency on April 4, 2018. On May 3, 2018, Monroe District entered an Agreed Order with the Energy and Environment Cabinet to remedy this deficiency. The construction of an additional flocculation and sedimentation basin is the agreed remedy.

9. A significant savings in the time and cost of constructing the flocculation and sedimentation basin can be achieved if construction begins soon. The contractor responsible for the construction of the facilities approved in Case No. 2015-00315 is still onsite. If construction begins soon, the contractor will not have to assemble a new construction crew or reassemble the necessary equipment to construct the basin. Furthermore, if delays in the start of construction occur due to the Contractor's redeployment of his present work crew, there is a significant risk that the prices for project materials, such as those composed of steel or aluminum, may increase due to very volatile market conditions.²

10. Authorizing a deviation from 807 KAR 5:001, Section 15(2)(b) would permit Monroe District's application to be accepted for filing and allow the Commission to begin its review. Monroe District recognizes that no Commission approval of the proposed flocculation and sedimentation basin can be granted until KDOW approval has been obtained and evidence of that approval submitted to the Commission. The requested deviation, however, would allow the Commission to review the other aspects of the Application while KDOW completes its review and thus shorten the overall time for review.

² See Exhibit 16 to Application.

11. Upon receiving written notice of KDOW's final action on the plans and specifications for the proposed flocculation and sedimentation basin, Monroe District will submit a copy of that notice with the Commission.

WHEREFORE, Monroe County Water District requests that the Commission:

1. Incorporate by reference the record of Case No. 2015-00315 into the record of this proceeding and;

2. Authorize Monroe District to deviate from the requirements of 807 KAR 5:001, Section 15(2)(b) and accept its Application for filing.

Dated: May 22, 2018

Respectfully submitted,



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CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that Monroe District's May 22, 2018 electronic filing of this Motion 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 May 22, 2018; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of the Application will be delivered to the Commission on or before May 24, 2018.



Gerald E. Wuetcher