COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF)	
MCCREARY COUNTY WATER DISTRICT)	CASE NO. 2018-00170
TO ADJUST ITS WATER CONNECTION FEE)	

MOTION FOR DEVIATION FROM 807 KAR 5:011, SECTION 10(3)

Pursuant to 807 KAR 5:011, Section 15, McCreary County Water District ("McCreary District") moves for a deviation from 807 KAR 5:011, Section 10(3) to permit the acceptance of its application for an increase in its Water Connection Fee without the submission of an absorption test based upon a recent period of twelve (12) consecutive calendar months ending within ninety (90) days of the submission of its Application.

In support of its Motion, McCreary District states:

- McCreary District has tendered an application for an increase in its Water
 Connection Fee.
- 2. In support of its Application, it has submitted an unadjusted income statement for the twelve month period ending December 31, 2017 and an unadjusted balance sheet as of December 31, 2017. It has also submitted an absorption test using the twelve month period ending December 31, 2017.
- 3. 807 KAR 5:011, Section 10(3) requires the submission of an absorption test based upon "a recent period of twelve (12) consecutive calendar months ending within ninety (90) days of the submission of its tariff filing." It thus requires McCreary District to provide an absorption test based upon a twelve month period ending no earlier than March 3, 2018.

4. Given its size and the limited capabilities of its financial software, McCreary

District is not readily capable of producing the required financial statements in a timely and

inexpensive manner.

5. Use of a twelve month period ending 62 days earlier will not materially affect the

results of the absorption test. There have been no material changes in McCreary District's

financial condition since December 31, 2017.

6. The requested relief is consistent with the Commission's approach to the filing of

financial exhibits, which is reflected in 807 KAR 5:001, Section 12, and allows utilities with

annual revenues of less than \$5,000,000 to rely upon their most recent annual reports on file with

the Commission rather than submit a financial exhibit covering a twelve month period of

operations not more than 90 days from the submission of an application.

WHEREFORE, McCreary District requests that the Commission grant a deviation from

807 KAR 5:011, Section 10(3) and accept its Application in its present form for filing.

Dated: June 1, 2018

Respectfully submitted,

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CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that McCreary District's June 1, 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 June 1, 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 Motion will be delivered to the Commission on or before June 5, 2018.

Gerald E. Wuetcher