

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF ESTILL)	
COUNTY WATER DISTRICT NO. 1 FOR A)	CASE NO. 2019-00119
SURCHARGE TO FINANCE WATER LOSS)	
CONTROL EFFORTS)	

MOTION FOR DEVIATION

Pursuant to 807 KAR 5:001, Section 22, Estill County Water District No. 1 (“Estill District”) moves for a deviation from certain filing requirements set forth in 807 KAR 5:001, Section 16. In support of its motion, Estill District states:

1. In its application, Estill District seeks authority to assess a monthly surcharge to each of its customers. The proposed monthly surcharge will apply to every customer class of service and to every customer within each service class. In prior proceedings in which a utility has sought authority to assess surcharge, the Commission has considered such an application to be an application for a general rate adjustment even if the utility’s base rates are not affected and required that each of the minimum regulatory requirements set forth in 807 KAR 5:001, Section 16 must be met or a deviation from such requirement must be obtained.

2. In the present application, Estill District proposes no adjustment to its base rates for water service. Under the Commission’s current ratemaking methodologies and practices, Estill District’s present operations do not support an increase in its current base rates for water service. A calculation of Estill District’s revenue requirement from base rates for water service based upon the twelve month period ending December 31, 2018 is set forth at **Exhibit 8** of the Application.

3. The proposed surcharge is designed to permit Estill District to recover purchased water costs that would otherwise not be recovered through based, but limit Estill District's use of those recovered costs to Commission-approved water loss control activities.

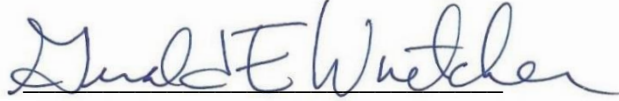
4. While Estill District has attempted to comply with the requirements of Section 16, some of these requirements are burdensome, will not assist the Commission in its review of Estill District's Application, and are irrelevant to assessing the reasonableness of Estill District's proposed surcharge. Specifically, Estill District requests a deviation from 807 KAR 5:001, Section 16(4)(g), which requires a detailed analysis of customers' bills whereby revenues from the present and proposed rates can be readily determined for each customer class. As previously noted, Estill District does not propose any revision in its base rates for water service. The proposed surcharge is a flat monthly amount that is assessed to all customers regardless of meter size. Accordingly, such analysis is of limited value. Moreover, given the limitations of Estill District's billing software, such analysis is difficult and very time-consuming to prepare.

5. Estill District further requests that if its Application fails to comply with the requirements of Section 16 in any other respect, a deviation of the requirement in question be granted to allow Commission review of the proposed surcharge to proceed.

WHEREFORE, Estill County Water District No. 1 requests a deviation from the requirements of 807 KAR 5:001, Section 16(4)(g) and any other requirement of Section 16 that Application fails to satisfy.

Dated: June 13, 2019

Respectfully submitted,



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Counsel for Estill County Water District No. 1

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 June 13, 2019; that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding; and that on or before June 17, 2019 this Application in paper medium will be delivered to the Public Service Commission.



Gerald E. Wuetcher