

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**ELECTRONIC APPLICATION OF HYDEN-)
LESLIE COUNTY WATER DISTRICT FOR) CASE NO. 2020-00141
AN ADJUSTMENT OF RATES PURSUANT TO)
807 KAR 5:076)**

VERIFIED MOTION FOR EXTENSION OF TIME TO SUBMIT
APPLICATION FOR RATE ADJUSTMENT

Hyden-Leslie County Water District (“Hyden-Leslie District”) moves the Public Service Commission (“Commission”) for an additional 91 days in which to submit an application for rate adjustment as required by the Commission’s Order of November 6, 2020. In support of its Motion, Hyden-Leslie District states:

1. In its Order of November 6, 2020, the Commission ordered Hyden-Leslie District to apply for an adjustment of its rates within three years using the alternative rate filing procedures set forth in 807 KAR 5:076.

2. Recognizing the length of time required to prepare a rate application, Hyden-Leslie District’s General Manager L.J. Turner on January 5, 2023, contacted Kentucky Rural Water Association (“KRWA”) and requested its assistance in preparing the application. Hyden-Leslie District personnel have limited experience in the preparation of applications for rate adjustment. In Case No. 2020-00141, it relied upon KRWA to prepare its application for rate adjustment and to respond to Commission Staff’s requests for information regarding that application. KRWA personnel testified on Hyden-Leslie District’s behalf at the hearing on the application.

3. KRWA currently assists its members in the preparation of applications for rate adjustment. Mr. Turner spoke with Joe Burns, KRWA’s Director of Programs and Operations, and

was advised that several KRWA members had made similar requests and were pending assistance and that Hyden-Leslie District could be assisted when those other members' applications had been completed. Mr. Turner's notes of the conversation do not reflect whether KRWA committed to preparing the application, but Mr. Turner ended the conversation with the impression that KRWA had committed to prepare the application. Later that day he advised Hyden-Leslie District's Board of Commissioners that KRWA had committed to prepare the water district's application.

3. Because the deadline for submitting its application was ten (10) months away and because no work on its application could begin until Hyden-Leslie District filed its financial and statistical report ("Annual Report") for 2022 calendar year operations with the Commission, Hyden-Leslie District did not object to the delay in the start of work on the application or seek assistance from other sources.

4. After his telephone conversation with Mr. Burns, Mr. Turner assumed that KRWA would begin work on the application using Hyden-Leslie District's 2022 Annual Report and then request information from Hyden-Leslie District. Accordingly, Hyden-Leslie District did not question the initial lack of communication with KRWA. After several months without any communication from KRWA, Mr. Turner telephoned Robert K. Miller of StraightLine Kentucky LLC on September 11, 2023. Mr. Miller oversees KRWA's rate assistance program. Mr. Miller advised Mr. Turner that assistance to Hyden-Leslie District had not yet been scheduled and no work on Hyden-Leslie District's application for rate adjustment had occurred. He stated that KRWA would immediately begin the preparation of Hyden-Leslie District's application and would work with Hyden-Leslie District to request an extension of time to submit the application. On September 14, 2023, Mr. Miller sent Mr. Turner a Rate Study Proposal, which Mr. Turner immediately signed and returned to KRWA. A copy of the executed proposal is attached to this

Motion as **Exhibit A**. A copy of the email message from Mr. Miller to Mr. Turner regarding the study is attached as **Exhibit B**.

5. KRWA has contracted with Ariel Miller of Clearwater Kentucky LLC, who was employed with the Commission for seven (7) years as a public utilities financial analyst, to prepare Hyden-Leslie District's application for rate adjustment. Ms. Miller has begun work on the application, but advises that the application cannot be completed by November 6, 2023. She expects to complete the application no later than December 31, 2023.

6. As to the request for an extension of time to submit an application for rate adjustment, Hyden-Leslie District assumed that KRWA would take the lead in preparing the request and therefore took no immediate action to request an extension of time. On October 20, 2023, Mr. Turner e-mailed Mr. Miller and Ms. Miller to request a status report on the preparation of the application. In his message, he expressly inquired whether he should instruct Hyden-Leslie District's counsel to request an extension of time. Following her receipt of this message, Ms. Miller advised Mr. Turner that she would telephone Hyden-Leslie District's legal counsel to inquire about a motion for any extension and did so. A copy of this e-mail exchange is attached to this Motion as **Exhibit C**. After Ms. Miller telephoned Hyden-Leslie District's counsel, Counsel immediately contacted Mr. Turner to obtain authorization to prepare and file such motion. Ms. Miller's telephone call to Counsel was Hyden-Leslie District's first contact with Counsel regarding its plans to file an application for rate adjustment.

7. Hyden-Leslie District requests the Commission extend the deadline for submission of an application for rate to February 5, 2024. While Ms. Miller has stated that the application can be completed before the end of 2023, the requested extension will eliminate the need to request further extensions should the preparations prove more difficult than anticipated. Hyden-Leslie

District intends to submit the application as soon as it is completed and reviewed by its General Manager and Board of Commissioners.

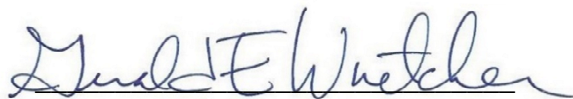
8. This request is made in good faith and not for purposes of delay. Hyden-Leslie District was diligent in obtaining assistance in the preparation of its application for rate adjustment well in advance of the deadline for the application's submission. It acknowledges that inquiries to KRWA about the status of the application's preparation should have been made earlier but it is now working diligently with Ms. Miller to ensure the completion and submission of the application as soon as possible.

8. The proposed extension of time will not unduly limit or impede the Commission's review of Hyden-Leslie District's current financial condition.

WHEREFORE, Hyden-Leslie County Water District requests an Order granting an extension of 91 days in which to submit its application for rate adjustment using the procedures set forth in 807 KAR 5:076.

Dated: October 27, 2023

Respectfully submitted,

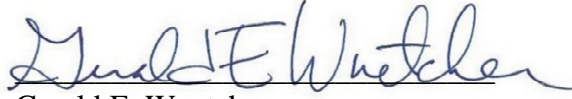


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Counsel for Hyden-Leslie County Water District

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8 and the Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was electronically transmitted to the Public Service Commission on October 27, 2023; and that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding

A handwritten signature in blue ink, appearing to read "Gerald E. Wuetcher", written over a horizontal line.

Gerald E. Wuetcher

EXHIBIT A



Rate Study Proposal

Hyden-Leslie County Water District

Prepared by: **Kentucky Rural Water Association**
September 2023

Kentucky Rural Water Association (KRWA) will perform a water rate study for Hyden-Leslie County Water District using methodologies acceptable to Kentucky Public Service Commission (KY PSC) upon acceptance of this proposal.

Scope of Work

This work will include completing the following items:

- ✓ Preparation of Schedule of Adjusted Operations, Revenue Requirement Calculations, Proposed Rate Schedules, and Billing Analyses.
- ✓ Preparation of a written summary report.
- ✓ Attendance at one meeting with Board of Commissioners for presentation of report.
- ✓ Submission of Alternative Rate Filing Application to KY PSC.
- ✓ Coordination and submission of responses to KY PSC Staff Requests for Information.
- ✓ Preparation of response to KY PSC Staff Report.
- ✓ Preparation of updated Tariff sheets.

This proposal does not include attendance at public hearings and other meetings.

Qualifications

The rate study will be performed by an experienced contractor selected by KRWA.

Estimated Start and Completion Times

The rate study will begin within approximately 30 days of acceptance of this proposal. Completion time is determined by KY PSC but is typically within 270 days of acceptance of this proposal. KRWA acknowledges that the due date is November 6, 2023. KRWA will work with the District to request the necessary extension from KY PSC and will proceed to complete the ARF application as soon as practicable.

Proposed Cost

Research, analysis, and PSC filings

Not-To-Exceed Total \$8,250

Accepted by: _____

Date: _____

9-14-2023

EXHIBIT B

Gerald Wuetcher

From: Bob Miller <bob.miller@straightlineky.com>
Sent: Thursday, September 14, 2023 11:36 AM
To: L.J. Turner
Cc: Ariel Miller
Subject: FW: KRWA Rate Study Proposal for Hyden-Leslie County Water District
Attachments: Hyden-Leslie County WD Rate Study Proposal.pdf

Corrected email address.

Robert K. Miller



From: [Bob Miller](#)
Sent: Monday, September 11, 2023 12:35 PM
To: lj.turner@hlwater.com
Cc: [Scott Young](#); [Joe Burns](#); d.reetzke@krwa.org
Subject: KRWA Rate Study Proposal for Hyden-Leslie County Water District

Good afternoon, Mr. Turner.

Per your request, I have prepared the attached proposal to perform a water rate study for Hyden-Leslie County Water District.

The attached proposal describes the scope of work and proposed not-to-exceed cost. There are currently no grant funds available to offset the cost of this study.

KRWA acknowledges that the due date is November 6, 2023. KRWA will work with the District to request the necessary extension from KY PSC and will proceed to complete the ARF application as soon as practicable.

Please let me know if this proposal is acceptable. Feel free to contact me with any questions.

Bob
502-500-1458

Robert K. Miller

EXHIBIT C

Gerald Wuetcher

From: Ariel Miller <ariel.miller@clearwatercky.com>
Sent: Friday, October 20, 2023 4:02 PM
To: L.J. Turner; Bob Miller
Cc: Kevin Cook
Subject: Re: Rate Case

Hi Mr. Turner,

I'm placing a call to Gerald Wuetcher shortly to check if a motion is already being prepared, but yes, I believe a motion is necessary.

Thank you,


Ariel Miller

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From: L.J. Turner <lj.turner@hlwater.net>
Sent: Friday, October 20, 2023 11:59:38 AM
To: Bob Miller <bob.miller@straightlineky.com>; Ariel Miller <ariel.miller@clearwatercky.com>
Cc: Kevin Cook <kcook1976@yahoo.com>
Subject: Rate Case

Good afternoon! As you know we have been ordered to file a rate application by November 6, 2023. You had previously stated you don't think it'll possible to have it ready in time. Is that still the case? If it isn't possible, do I need to get with our attorney to file for an extension or can you assist us with that

Thanks,

L.J. Turner, Manager
Telephone (606) 672-2791
Fax (606) 672-7510
The logo for Hyden Leslie Water District features the name "HYDEN LESLIE" in a serif font, with "Water" and "District" in a smaller font below it. A blue water drop icon is positioned between the words "HYDEN" and "LESLIE".