COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF CITY OF) AUGUSTA REVISING ITS WHOLESALE) CASE NO. 2020-00277 WATER SERVICE RATES)

MOTION FOR LEAVE TO INTERVENE

Pursuant to 807 KAR 5:001, Section 4(11), Bracken County Water District ("Bracken District") moves for leave to intervene in the proceeding. In support of its motion, Bracken District states:

1. Bracken District, a water district organized pursuant to KRS Chapter 74, provides retail water service to approximately 2,600 households in Bracken County, Kentucky and wholesale water service to the City of Brooksville, Kentucky and East Pendleton County Water District.

2. The City of Augusta ("Augusta") is Bracken District's principal water supplier. Since 1996 Bracken District has purchased most of its water requirements from Augusta. Pursuant to its Water Purchase Contract with Augusta, which was executed in 2016, Bracken District is required to purchase at least 78,000,000 gallons of water annually from Augusta. In 2019, it purchased 162,028,000 gallons of water, or approximately 99.4 percent of its total water purchases, from Augusta.

3. In its Order of August 25, 2020, the Public Service Commission recognized that Bracken District has a significant interest in this proceeding.¹ Bracken District's has two substantial interests in this proceeding. First, it has an interest in ensuring that any adjustment to

¹ Order of August 25, 2020 at 2.

Augusta's wholesale rate is reasonable and not excessive. Second, given the significant effort and resources that it expended to obtain the rate mechanism set forth in the 2016 Water Purchase Contract, Bracken District has an interest in ensuring the continued existence and application of that rate mechanism. The Public Service Commission has previously asserted that it may modify such contractual rate mechanisms in proceedings like this proceeding, thus raising the potential likelihood that 2016 Water Purchase Contract's rate mechanism may become an issue in this proceeding.²

4. No party to this proceeding represents Bracken District's interests.

5. Bracken District's intervention is likely to present issues and to develop facts that assist the Public Service Commission in fully considering the matter without unduly complicating or disrupting these proceedings. Bracken District is familiar with Augusta's operations and with the terms of the Water Purchase Contract that governs Augusta's sales of water to Bracken District. It has retained legal counsel who is familiar with the Public Service Commission ratemaking methodology and procedures.

WHEREFORE, Bracken County Water District requests an Order granting its Motion for Leave to Intervene.

² See Proposed Revision of Rules Regarding the Provision of Wholesale Water Service By the City of Versailles to Northeast Woodford Water District, Case No. 2011-00419 (Ky. PSC Aug. 12, 2014) at 12 ("KRS 278.200 authorizes the Commission to modify contracts involving utility rates and services as a valid use of the state's police power to regulate utility rates and service. The Commission may revise any rate or service standard in a contract between a municipal utility and public utility despite objections by either party if the Commission finds that the proposed revision is reasonable under the circumstances.")

Dated: September 14, 2020

Respectfully submitted,

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

Counsel for Bracken County Water District

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that Bracken County Water District's electronic filing of this Motion to Intervene 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 September 14, 2020; that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding; and that within 30 days following the end of the state of emergency announced in Executive Order 2020-215 this Response in paper medium will be delivered to the Public Service Commission.

Gerald E. Wuetcher