COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BRACKEN)COUNTY WATER DISTRICT FOR AN)ADJUSTMENT OF ITS WATER RATES)PURSUANT TO 807 KAR 5:076)

MOTION TO AMEND ORDER

Pursuant to KRS 278.400, Bracken County Water District ("Bracken District") moves to amend the Public Service Commission's Order of September 27, 2022, to provide that the Monthly Water Rates for Phase 1 set forth in Appendix B of that Order shall take effect with bills rendered after October 31, 2022, and the Monthly Water Rates for Phase 2 set forth in Appendix B of that Order shall take effect with bills rendered after October 31, 2023.

In support of its motion, Bracken District states:

1. This Motion supersedes and replaces the Motion to Amend Order filed with the Public Service Commission on September 29, 2022.

2. Bracken District reads its meters monthly between the tenth and twelfth days of the month using automated meter reading equipment. While the billing period for every customer has the same number of days, the specific days in that period may differ. (For example, all bills may cover a 30-day period. Some bills, however, will cover water usage from the tenth day of the previous month to the tenth day of the present month, while others will cover usage from the eleventh day of the previous month to the eleventh of the present month.) Bracken District issues bills based upon these readings to its customers on the last working day of the same month that the meter readings are taken.

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3. In its Order of September 27, 2022, the Public Service Commission established new rates for Bracken District effective for service rendered on and after September 27, 2022. The effective date of these new rates for monthly water service (Phases 1 and 2) falls within the billing cycle rather than at the start of the billing cycle. Therefore, when determining the amount of bills for service received during the first billing cycle in which the new rates are effective, two different rate schedules are applied to each customer's water usage to determine the amount owed for service.

4. Since customer meters were not read on September 27, 2022, Bracken District cannot determine customer usage occurring during the portion of the billing cycle in which the prior rates were effective and that occurring after the new rates became effective. While Bracken District can develop rates for the transition period (September 10 – October 10) to implement the Order of September 27, 2022, that effort requires additional resources, creates customer confusion over the rates in effect, and does not ensure an accurate bill for actual usage. Because the approved rates will be implemented in two phases, Bracken District will be required to make this effort twice.

5. To address these concerns, Bracken District requests that the Public Service Commission amend its Order of September 27, 2022, to make the Phase 1 - Monthly Water Rates effective for bills rendered after October 31, 2022 and the Phase 2 - Monthly Water Rates effective for bills rendered after October 31, 2023. This revision will permit an orderly implementation of both phases of the approved Monthly Water Rates, avoid the need to develop transition rates to account for the presence of two different rate schedules during one billing cycle, ensure all customers are billed for water service at the new rates in the same manner, and avoid customer confusion. In practical terms, Bracken District will begin assessing the Phase 1 rates for service

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rendered on or about October 10, 2022, after meters are read for the current billing cycle and at the start of the new billing cycle. All bills issued in November 2022 for the new billing cycle will reflect the Phase 1 rates. Likewise, Bracken District will begin assessing the Phase 2 rates for service rendered on or about October 10, 2023, after meters are read for the current billing cycles and at the start of a new billing cycle. All bills issued in November 2023 for the new billing cycle will reflect the Phase 2 rates.

6. Placing new rates into effect based upon a utility's billing cycle is not unusual. The Public Service Commission has followed this practice for several years in proceedings in which it adjusted fuel adjustment charges and gas cost recovery mechanisms.¹ It will allow for an orderly and less costly transition to the newly approved rates while ensuring all customers are treated in an equitable and uniform manner.

7. No change in the effective date for the approved charges for nonrecurring services is requested. Because these charges are assessed on a transactional basis and the date of the provision of the nonrecurring service can be easily identified, there is no need to modify the effective date of these charges. To avoid any confusion regarding the effective date for the approved nonrecurring charges, Bracken District requests that the Public Service Commission amend the Order of September 27, 2022 to expressly state that the charges for nonrecurring services set forth in Appendix B of that Order are approved for service rendered on and after September 27, 2022.

¹ See, e.g., Notice of Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc., Case No. 2003-00412 (Ky. PSC Nov. 21, 2003); An Examination of The Application of The Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 2006 Through October 31, 2008, Case No. 2008-00520 (Ky. PSC June 3, 2009); See also An Adjustment of Rider AMRP of the Union Light, Heat and Power Company, Case No. 2003-00103 (Ky. PSC Aug. 29, 2003); Electronic Application of Edmonson County Water District Pursuant to KRS 278.023 and 807 KAR 5:069 for a Certificate of Public Convenience and Necessity to Expand its Water Treatment Plant and Related Waterworks Improvements, an Adjustment of Its Rates for Water Service; and Authorization to Issue Certain Securities, Case No. 2019-00355 (Ky. PSC Dec. 2, 2019)

8. A proposed order is attached to this Motion as Exhibit A^2 .

WHEREFORE, Bracken County Water District requests the Public Service Commission amend its Order of September 27, 2022, to provide that the Monthly Water Rates for Phase 1 set forth in Appendix B of that Order shall take effect with bills rendered after October 31, 2022, the Monthly Water Rates for Phase 2 set forth in Appendix B of that Order shall take effect with bills rendered after October 31, 2023, and the approved charges for nonrecurring services set forth in that Order are approved for nonrecurring services rendered on and after September 27, 2022.

Dated: October 5, 2022

Respectfully submitted,

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Counsel for Bracken County Water District

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, and the Public Service Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on October 5, 2022 and that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding.

Gerald E. Wuetcher

 $^{^2}$ An electronic copy of the proposed order in Microsoft Word format is embedded in this document. It can be extracted if Adobe Acrobat Reader or another portable document format viewer or Firefox software is used to view this document.

EXHIBIT A

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BRACKEN COUNTY WATER DISTRICT FOR AN ADJUSTMENT OF ITS WATER RATES PURSUANT TO 807 KAR 5:076

CASE NO. 2021-00415

<u>O R D E R</u>

Bracken County Water District ("Bracken District") having moved to amend the Commission's Order of September 27, 2022, to revise and clarify the effective dates for the rates and charges approved therein, and the Commission finding that good cause exists to grant the Motion,

IT IS THEREFORE ORDERED that:

1. Bracken District's Motion to Amend Order of September 27, 2022 is granted.

2. The Order of September 27, 2022 is amended as follows:

a. The Monthly Water Rates for Phase 1 set forth in Appendix B of the Order of September 27, 2022 shall take effect with bills rendered after October 31, 2022.

b. The Monthly Water Rates for Phase 2 set forth in Appendix B of the Order of September 27, 2022 shall take effect with bills rendered after October 31, 2023.

c. The rates for nonrecurring services set forth in Appendix B of the Order of September 27, 2022, are approved for service rendered on and after September 27, 2022.

3. All other provisions of the Order of September 27, 2022 not in conflict with this Order shall continue in full force and effect.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Executive Director