

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BIG)	
SANDY WATER DISTRICT FOR AN)	CASE NO. 2022-00044
ADJUSTMENT OF ITS WATER RATES)	
PURSUANT TO 807 KAR 5:076)	

MOTION TO AMEND ORDER

Pursuant to KRS 278.400, Big Sandy Water District (“Big Sandy District”) moves to amend the Public Service Commission’s Order of September 13, 2022 to provide that the rates for water service and non-recurring services approved therein take effect with meter readings performed after October 31, 2022 instead of the stated effective date.

In support of its motion, Big Sandy District states:

1. Big Sandy District reads its meters monthly using automated meter reading equipment. Meters are read the first three work days of the month. 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 first workday of the previous month to the first workday of the present month, while others will cover usage from the second workday of the previous month to the second workday of the present month.)

2. In its Order of September 13, 2022, the Public Service Commission established new rates for Big Sandy District effective for service rendered on and after September 13, 2022. The effective date of these new rates falls within a billing cycle rather than at the start of a 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 must be applied to each customer's water usage to determine the amount owed for service.

3. The present effective date of the new rates presents problems. Since customer meters were not read on September 13, 2022, Big Sandy District is unable to 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. Moreover, Big Sandy District's software is not capable of applying two different rate schedules for the same billing period. The vendor of Big Sandy District's billing software had advised that there is insufficient time to modify the water district's billing software for the transitional period (September 1 – October 1) without delays in the issuance of monthly bills. Even if adequate time remained to permit modifying the billing software for the transitional period, it would require significant and costly adjustments. Furthermore, additional adjustments would be required for the following billing period to permit the issuance of bills based solely on the new rates.

4. To avoid these problems, Big Sandy District requests that the Public Service Commission amend its Order of September 13, 2022, to make the new rates effective for meter readings after October 31, 2022. This revision will permit an orderly transition to the new rates, avoid the need to adjust Big Sandy District's billing software solely to account for the presence of two different rate schedules during one billing cycle, and ensure all customers are billed for water service at the new rates in the same manner. The new rates will be reflected on all bills issued in November 2022 and be assessed for all service received during the October 2022 billing cycle.

5. 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.

6. As the revenue requirement established in the Order of September 13, 2022 is directly related to and based upon the non-recurring charges established in that Order, Big Sandy District requests that those charges become effective at the same time as the rates for water service.

7. No change to the effective date of the water loss reduction surcharge is requested. That charge is assessed to each bill rendered, is unaffected by the date on which water service is provided or a meter read, and is unrelated to the revenue requirement established in the Order of September 13, 2022. Moreover, the surcharge may be assessed for only 60 months. Allowing the assessment of the surcharge to remain effective as of September 13, 2022 will not affect the amount of revenue collected from the surcharge.

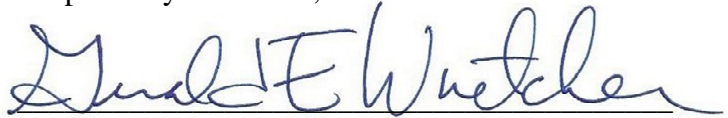
WHEREFORE, Big Sandy Water District (“Big Sandy District”) requests the Public Service Commission amend its Order of September 13, 2022 to provide that the new rates for water service and non-recurring services set forth therein will become effective for meter readings performed after October 31, 2022.²

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)

² KRS 278.400 permits Big Sandy District to request rehearing on any matter determined in the Order of September 13, 2022 within 20 days of service of that Order. Big Sandy District expressly reserves its right under KRS 278.400 to request reconsideration or rehearing of other provisions of the Order of September 13, 2022 in accordance with the terms of that statute.

Dated: September 16, 2022

Respectfully submitted,

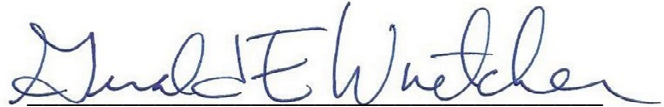


Gerald E. Wuetcher
Stoll Keenon Ogden PLLC
300 West Vine St. Suite 2100
Lexington, Kentucky 40507-1801
Telephone: (859) 231-3017
Fax: (859) 259-3517
gerald.wuetcher@skofirm.com

Counsel for Big Sandy 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 September 16, 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