

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|--------------------------------------|---|----------------------------|
| ELECTRONIC APPLICATION OF |) | |
| MOUNTAIN WATER DISTRICT FOR A |) | CASE NO. 2022-00366 |
| GENERAL ADJUSTMENT OF WATER |) | |
| RATES |) | |

MOTION FOR VIDEOCONFERENCE WITH COMMISSION STAFF

Pursuant to 807 KAR 5:001, Section 9(4), Mountain Water District (“Mountain District”) moves for a conference with Commission Staff to discuss the wholesale rate recently established for Elkhorn City, Kentucky (“the City”), its effect on the City’s financial condition, and permissible actions that Mountain District may take to alleviate the effects of that wholesale rate.

In support of its motion, Mountain District states:

1. On February 18, 2023, Mountain District applied to the Public Service Commission (“Commission”) for an adjustment of its rates for water service. In its application, it proposed among other things to increase its wholesale rate to the City from \$2.99 per 1,000 gallons to \$3.67 per 1,000 gallons for the first 215,000 gallons of water used each day and from \$3.17 per 1,000 gallons to \$3.90 per 1,000 gallons for all daily usage in excess of 215,000 gallons of water. The proposed rates would increase the City’s average monthly bill from \$13,835.45 to \$16,981.97, or approximately 22.74 percent.

2. On October 31, 2023, the Commission established new rates for water service for Mountain District. These new rates for water service include a single wholesale rate of \$8.74 per 1,000 gallons of water that applied to all wholesale customers.

3. The newly established wholesale rate represents a significant increase in the City’s cost of water. It increases the average monthly bill from \$13,835.45 to \$40,442.07, an increase of

\$26,606.62 or 202 percent. With the new wholesale rate, the City's annual water bill increases from \$166,025.40 to \$485,304.84.

4. The City has approximately 600 customers. The approved increase in the wholesale rate will require the City to increase the average monthly customer bill by \$44.24, an annual increase of \$530.88.

5. Elkhorn City officials have advised Mountain District that the increased rate imposes a significant financial hardship on the City and its residents. They have further expressed concerns about the City's ability to pay for water service at the new wholesale rate.

6. Mountain District requests a videoconference with Commission Staff to discuss how the wholesale rate was derived, the effect of the proposed wholesale rate on Elkhorn City and its residents, and possible means to reduce the wholesale rate while allowing Mountain District the opportunity to continue to earn the revenue requirement set forth in the Order of October 31, 2023. It intends to invite Elkhorn City officials to participate in the videoconference.

WHEREFORE, Mountain District respectfully requests that the Commission authorize a videoconference with Commission Staff in this matter at the earliest possible date for the purpose of discussing the approved wholesale rate for water service and its effect on Elkhorn City.

Dated: December 6, 2023

Respectfully submitted,

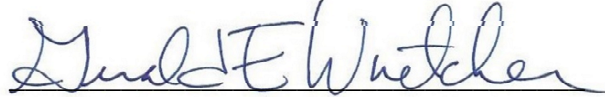


Gerald E. Wuetcher
Stoll Keenon Ogden PLLC
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507-1801
Telephone: (859) 231-3017
Fax: (859) 259-3517
gerald.wuetcher@skofirm.com

Counsel for Mountain 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 transmitted to the Public Service Commission on December 6, 2023 and that no parties have been excused from electronic filing procedures.

A handwritten signature in blue ink, appearing to read "Gerald E. Wetcher". The signature is written in a cursive style with a horizontal line underneath.

Counsel for Mountain Water District