

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY-)	
AMERICAN WATER COMPANY FOR AN)	
ADJUSTMENT OF RATES, A CERTIFICATE)	CASE NO. 2023-00191
OF PUBLIC CONVENIENCE AND NECESSITY)	
FOR INSTALLATION OF ADVANCED)	
METERING INFRASTRUCTURE, APPROVAL)	
OF REGULATORY AND ACCOUNTING)	
TREATMENTS, AND TARIFF REVISIONS)	

**LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT’S
RESPONSE TO KENTUCKY-AMERICAN’S PETITION FOR REHEARING**

Lexington-Fayette Urban County Government (“LFUCG”), by counsel, respectfully submits this Response to the Petition for Rehearing filed by Kentucky-American Water Company (“Kentucky-American”) in the above-styled action. In summary, LFUCG does not oppose the Commission’s granting of rehearing for the purpose of a substantive review of the Commission’s determination of the appropriate revenue requirement. In support of this Response, LFUCG states as follows:

On May 3, 2024, the Commission issued an order addressing remaining substantive issues in the underlying case. On May 16, 2024, Kentucky-American timely filed a Petition for Rehearing, seeking changes to the Commission’s May 3 order on six different issues. Kentucky-American contemporaneously filed a motion for informal conference. On May 21, 2024, the LFUCG and the Attorney General filed a Joint Petition for Rehearing related to two other issues from the Commission’s May 3 order.

Of the six issues raised by Kentucky-American in its Petition for Rehearing, two issues relate to the effective date of the new rates and the rate to Judy Water Association. These two issues appear to be straightforward. LFUCG is not aware of additional clarification that is needed on these two issues and do not object to a substantive determination by the Commission. Another issue related to the bulk sales rate has since been rendered moot by the Commission's order dated May 17, 2024.

Kentucky-American's three other issues could impact revenue requirements. LFUCG believes that there is insufficient information in the record for it to determine the veracity of Kentucky-American's assertion that these three issues present "simple calculation corrections." In addition, LFUCG anticipates that Commission Staff will schedule an informal conference to discuss the underlying issues; however, it is unlikely that there is sufficient time following that informal conference for the Commission to render a decision on the substantive issues prior to the deadline set forth in KRS 278.400 for granting or denying Kentucky-American's Petition for Rehearing. Accordingly, LFUCG does not oppose the Commission's granting of rehearing for the purpose of a substantive review of the Commission's determination of the appropriate revenue requirement for Kentucky-American. Alternatively, if the Commission has sufficient information to deny the substance of Kentucky-American's Petition for Rehearing on the issues related to the revenue requirement, LFUCG does not object to such a determination.

Respectfully submitted,

/s/ M. Todd Osterloh

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