

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**RE: ELECTRONIC TARIFF FILING OF THE CITY OF
AUGUSTA TO INCREASE THE WHOLESALE
WATER RATE CHARGED TO BRACKEN
COUNTY WATER DISTRICT**

**INTERVENOR, BRACKEN COUNTY WATER DISTRICT'S (BCWD'S) NOTICE OF
OF NO FILING OF DIRECT TESTIMONY WITH RESERVATION TO CALL AND/OR USE
REBUTTAL TESTIMONY AND RESERVATION OF RIGHT TO CROSS-EXAMINE ANY
WITNESSES AT ANY HEARING HEREIN**

CASE NUMBER 2024-00349

Comes now the intervening party, Bracken County Water District, ("BCWD") by and through counsel, Mr. Jesse P. Melcher, Esq., and hereby places notice of it not filing any direct testimony, by February 14, 2025, with reservation of right to call and/or use rebuttal testimony, and the reservation of right to cross-examine any witness at any hearing herein.

The intervening party, i.e. BCWD, states that the rate increase is based upon a 2016 primary water purchase contract rate calculation, as approved by KY PSC, in Case No. 2015-00039; and thereafter modified, and approved in 2021, as evidenced by KY PSC, in Case No. 2020-00277. *See. Page 4 through 5 of 2016 water purchase contract, Number 16.* The agreed contractual terms, call for the wholesale waer rate to be based upon calculations from the most recent financial year of the City of Augusta, that has

been audited. *See. Page 4 of 2016 water purchase contract, Number 16, alphabetical paragraph a.* The City of Augusta has chosen fiscal year July 1, 2022 to June 30, 2023. The contract does allow that “the test period costs may be adjusted to reflect known and measurable changes.” *See. Page 4 of 2016 water purchase contract, Number 16, alphabetical paragraph f.* The City of Augusta has requested modifications to the expenses/costs and the amount of water purchased, during the audited financial year, under a pro-forma calculation, to modify the numbers used in the agreed and approved rate calculation as referenced, and/or to wholly disregard the contractual terms (i.e. unified rate).

Therefore, the issue of the appropriate rate is not a direct testimony issue, as much as it is an issue of the use of the appropriate numbers in the prior agreed to and approved contractual terms for a wholesale water rate increase calculation, as established in the 2016 contract; and as twice approved in original and amended form as referenced 2016 and 2021, *see KY PSC Case No.’s 2015-00039 and 2020-00277, respectively.* Essentially, the case revolves around arguments as to appropriate use of numbers, (i.e. use of the actual numbers in the used financial audited year and actual numbers of gallons purchased and used by both entities, or the adjusted numbers City of Augusta has requested). The intervenor believes the answers and responses, to its questions to the City of Augusta herein, and the City of Augusta’s filings with the original tariff and supplementation thereto, is all the necessary factual information to brief the issue as to appropriate wholesale water rate increase, for ruling by the Commission,

and/or to proceed to hearing, if determined necessary by KY PSC or requested by the City of Augusta.

However, the intervenor, fully reserves the right to call direct rebuttal testimony, if any and if necessary, at any hearing, or to assert rebuttal testimony by submission with brief, if any previously unasserted averments are presented by the City of Augusta which are relevant to the rate increase calculation. Additionally, the intervenor, fully reserves the right to cross-examine any witnesses at any hearing in this matter.

Respectfully submitted,

/s/ JESSE P. MELCHER, ESQ.
BRACKEN COUNTY WATER DISTRICT,
ATTORNEY
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CERTIFICATE OF SERVICE

I, Jesse P. Melcher, Esq. as counsel and representative of BCWD herein, do hereby certify that I have mailed out by electronic filing through the KY PSC web portal, pursuant to 807 KAR 5:001(8), this the 14th day of February, 2025; and that no party herein, has opted out of the electronic notice and/or filing herein, and proof of electronic filing and courtesy copy are as follows:

KY PSC, filed by web portal in this case number

Ms. Cynthia Thompson, Esq.
Counsel for City of Augusta
ccthompsonatty@yahoo.com

Courtesy Copy by mail, U.S.P.S.
City of Augusta
Attn: Cynthia Thompson, Esq.
219 Main Street
P.O. Box 85
Augusta, KY 41002

/s/ MR. JESSE P. MELCHER, ESQ.