

**COMMONWEALTH OF KENTUCKY**  
**THE KENTUCKY 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**

**MOTION OF BRACKEN COUNTY WATER DISTRICT (“BCWD”) TO  
INTEREVNE PURSUANT TO 807 KAR 5:001(4)(11) AND ORDER OF  
THIS COMMISSION (DATED 11-24-24)**

**CASE NO: 2024-00349**

Comes now the Bracken County Water District, (“BCWD”) by and through counsel, Mr. Jesse P. Melcher, Esq., and, moves the Kentucky Public Service Commission, (KY PSC), for leave to intervene in this case, pursuant to Order of The Kentucky Public Service Commission, dated November 19, 2024, and pursuant to 807 KAR 5:001(4)(11), as follows:

1. Pursuant to 807 KAR 5:001(4)(11)(a)(1), Bracken County Water District (“BCWD”), states it is the movant to intervene, its mailing address is 1324 Brooksville-Germantown Road, Brooksville, Kentucky, 41004, and the electronic mail address for “BCWD” for this case shall be [jpmelcher@yahoo.com](mailto:jpmelcher@yahoo.com).
2. BCWD is a water district formed by the Bracken County Fiscal Court pursuant to KRS 73, and is under the jurisdiction of the Kentucky Public Service Commission, pursuant to KRS 278, and pursuant to the 2023 annual report had 2819 customers

3. BCWD purchases all of its water that it resells to its customers and resells to other approved utilities.
4. BCWD purchases the large majority of its water from City of Augusta and some water from Western Mason Water District.
5. BCWD and City of Augusta have a history of KY PSC involvement in the rates to be set regarding wholesale water rates. *See. BCWD water purchase contracts (on KY PSC website under utility), for City of Augusta, i.e. (2007, 2014, 2016); KY PSC Case Numbers 2015-00039; 2020-00277.*
6. The contract for 2016, between the parties is the controlling contract as it relates to wholesale water rates and how adjustments are to be made and calculated, between the parties. *See. BCWD, City of Augusta Contract, 2016-06-09 (KY PSC website); Attached hereto and fully incorporated herein.*
7. The test year chosen by City of Augusta for its rate analysis was July 1, 2022 to June 30, 2023.
8. City of Augusta does request adjustments to its test year, for various reasons and for periods well outside the test year (many years prior to test year, i.e. legal fees and engineering fees from 2022-00277), and for expenses in the year 2023. BCWD objects to these adjustments, as addressed in prior orders of the Commission, not known or measurable changes, pursuant to the contract, and further objects that the changes are not routine and/or normalized expenses appropriate for adjustment to the test year.
9. City of Augusta argues for **non-implementation** of the contractual rights and obligations between the parties, (i.e. to hold the 2016 contract as null and void),

and for the rate adjustment to be based upon a rate revenue calculation (expenses vs. revenues), as opposed to the 2016 contract requirement of a volumetric rate, pursuant to an established mathematical formulation.

10. City of Augusta does not utilize the calculation as required by the 2016 contract between the parties, by failing to include all of the contracted to reduction of expenses (reduction of depreciation and/or debt) for the test year period, in determination of volumetric rate, pursuant to the 2016 contract.
11. The proposed rate increase by the City of Augusta is not warranted and/or authorized by the contract and/or any applicable amendments, and any unjustified rate increase would unduly harm the customers of BCWD, if KY PSC authorizes and/or allows the increase requested.
12. Kentucky Public Service has recognized the rights of parties to contract between themselves and moreover, specifically authorized the terms and agreements of the 2016 contract in question. *See. Cases No. 2015-00039; 2020-00277; Kreamer v. Harmon*, 336 S.W. 2d 561 (Ky. 1960).
13. KY PSC by Order entered herein on November 19, 2024, the Commission authorized any party requesting intervention to file the request by December 5, 2024.
14. No person or entity represents the interests of BCWD herein and any implementation of the existing contract(s) and/or KY PSC approved modification would affect the rights of BCWD and its customers.

15. BCWD is vastly familiar with the workings of the City of Augusta Water Plant operations and with the terms of the purchased contracts and amendment(s) thereto.
16. BCWD requests leave to intervene and states pursuant to 807 KAR 5:001(11)(a)(1), that approval of the intervention, and authority to request information would ensure, 1) the applicable arguments by BCWD for implementation of the appropriate numbers and/or calculations to determine the rate increase as applied to the contracts at issue, which will be ultimately Adjudicated/Ordered by KY PSC, are adequately addressed and/or are adequately preserved in the administrative hearing, in the event that an appeal of the Adjudication/Order of the Commission is implemented; 2) to address the requests of the City of Augusta to use calculations and to not implement the previously agreed to terms of the contracts (at issue herein) for this rate case; and 3) further for BCWD to exhaust its administrative remedies in this proceeding, to preserve its contractual rights between the parties, and ensure that the contractual rights of the parties are being enforced, and that any rate increase be justified by applicable rule and/or contractual term of agreement, as any rate increase may unduly subject their customers to unwarranted rate increases.
17. BCWD does not believe its participation will unduly complicate and/or disrupt the proceedings, as the issues addressed by BCWD will be strictly limited to the enforcement of the provisions of the existing contracts between the parties and the implementation of those contractual terms, with the appropriate numbers to determine the justified and/or appropriate volumetric rate calculation(s).

18. BCWD is likely to present issues and develop facts possibly unknown to KY PSC and which will assist KY PSC in fully considering the matter without undue complication.
19. BCWD is represented by this filing, by counsel, i.e., Mr. Jesse P. Melcher, Esq., who is aware of the electronic filing requirements of KY PSC, pursuant to 807 KAR 5:001, and agrees to ensure that all requirements of electronic filing are completed, now and in the future, and will receipt all documents by electronic transmission. BCWD has attached an authorization of electronic filing by this counsel. (See attachment with filing).

Wherefore, BCWD requests an Order granting its Motion to Intervene in this matter.

Respectfully submitted,

/s/ JESSE P. MELCHER, ESQ.  
BRACKEN COUNTY WATER DISTRICT,  
ATTORNEY  
JESSE MELCHER LAW OFFICE, PLLC  
MR. JESSE P. MELCHER, ESQ.  
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MOUNT OLIVET, KY 41064  
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jpmecher@yahoo.com

**CERTIFICATION OF SERVICE**

I, Jesse P. Melcher, Esq., attorney for “BCWD” state that I have filed the motion to intervene as follows, this the 26<sup>th</sup> day of November, 2024, and that KY PSC by Order entered 11-19-24, required electronic filing and receipt of documents (although City of Augusta has failed to enter an appearance to date):

KY PSC:

Electronic original

a) email: [KYPSCED@ky.gov](mailto:KYPSCED@ky.gov)

Courtesy Copies by U.S.P.S.:

City of Augusta  
c/o Water Treatment Plant Operations Manager  
219 Main Street  
Augusta, KY 41002

By email to City of Augusta  
c/o Water Treatment Plant  
[gengland@augustaky.com](mailto:gengland@augustaky.com)

City of Augusta, Mayor  
c/o Ms. Gretchen England, City Clerk  
219 Main Street  
Augusta, KY 41002

City of Augusta, Mayor  
Mr. John Laycock  
219 Main Street  
Augusta, KY 41002

City of Augusta, legal counsel  
Mrs. Cynthia Thompson, Esq.  
202 East Riverside Drive  
Augusta, KY 41002

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