COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF GRAVES)
COUNTY WATER DISTRICT FOR AN) CASE NO. 2025-00060
ADJUSTMENT OF ITS WATER RATES)
PURSUANT TO 807 KAR 5:076)

MOTION FOR DEVIATION FROM 807 KAR 5:076, SECTION 11(3)(a) TO EXTEND THE TIME TO RESPOND TO COMMISSION STAFF REPORT OR, IN THE ALTERNATIVE, FOR A HEARING

Pursuant to 807 KAR 5:076, Section 17 and 807 KAR 5:001, Section 5, Graves County Water District ("the District") moves for a deviation from 807 KAR 5:076, Section 11(3)(a), to permit the District an additional twenty-one (21) days in which to submit its Response to the Commission Staff report on the District's proposed rates for water service or, if no deviation is granted, for a hearing in this matter.

In support of its Motion, the District states:

1. Pursuant to the terms of the Public Service Commission's ("Commission") Order of September 30, 2019 in Case No. 2019-00429¹, the District was authorized to assess a Water Loss Detection and Repair Program Surcharge ("Surcharge") of five dollars monthly on each customer for a period of seventy-two months or until the total amount of the assessed surcharge equals \$1,721,600. The District was authorized to use the proceeds from this surcharge to finance its water loss detection and repair program. Based upon the Surcharge assessments, the last month that the District is authorized to assess this surcharge will be September 2025.²

¹ Application of Graves County Water District for an Alternative Rate Adjustment, Case No. 2018-00429 (Ky. PSC Sep. 29, 2019).

² See Annual Progress Report of Graves County Water District's Water Loss Detection and Repair Program (October 1, 2023 – September 30, 2024) at 6 (filed in Case No. 2021-00347, *Electronic Graves County Water District's Unaccounted-for Water Loss Reduction Plan, Surcharge, and Monitoring* (Ky. PSC filed June 12, 2025).

- 2. On March 19, 2025, the District filed with the Commission an application for rate adjustment pursuant to the procedures set forth in 807 KAR 5:076. In its application, the District proposed a rate adjustment that would be implemented in five phases. The first phase rates would become effective upon Commission approval. At the end of each year after Commission approval for the following four years, a new schedule of rates would become effective, gradually implementing the District's proposed ultimate rates. The District included in its Application five rate schedules, one for each phase. In its Application, the District also requested a five-year extension of the Surcharge by listing on each rate schedule a monthly "Water Loss Detection and Repair Program Surcharge" of five dollars. The District's published notice of the filing of its application for rate adjustment listed the same rate schedules as found in the District's Application and included the Surcharge.
- 3. On August 21, 2025, Commission Staff issued a report containing its findings and recommendations regarding the District's proposed rate adjustment. Pursuant to 807 KAR 5:076, Section 11(3)(a), and the Commission's Order of July 11, 2025 in this matter, the District must submit its response to that report on September 4, 2025 fourteen (14) days following the issuance of Commission Staff's report.
- 4. The District disagrees with certain findings and recommendations contained in the report and wishes to respond to those recommendations. More significantly, however, the District is concerned by the absence of any findings or recommendations regarding the requested extension of the Surcharge. This silence regarding the requested extension suggests that Commission Staff did not recognize that the District was requesting an extension.

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The report estimated that the last month to assess the surcharge was October 2025. Based upon surcharge collections since October 1, 2024, the District will reach the \$1,721,600 limit with its billings in September 2025.

- 5. 807 KAR 5:076, Section 3 generally limits the record on which the Commission may base its decision to an applicant's application, responses to requests for information, commission staff reports, and written responses to commission staff reports. The application form (ARF Form 3) primarily addresses the adjustment of general service rates and does not specifically request or require information regarding special charges such as a surcharge. The District had anticipated several requests for information from Commission Staff regarding the proposed surcharge extension to provide an opportunity to explain the District's reasoning and need for the extension and detail the proposed uses for the additional surcharge proceeds, but such requests did not occur. Currently there is no evidence regarding the requested Surcharge extension. The report's silence on the requested extension of the Surcharge and the absence of any discovery on the requested extension has placed the District at great disadvantage.
- 6. The District respectfully requests an extension of time until September 25, 2025 to submit its response to the Commission Staff report. This extension will permit the District to provide the Commission with a detailed written explanation of the need for the requested Surcharge extension and description of the proposed uses of the proceeds from the extended Surcharge. It will ensure a more robust evidentiary record for the Commission to base its decision on the District's application, provide a basis for any supplemental requests for information by Commission Staff, allow the Commission additional time to review the Surcharge extension request and possibly avoid the need for a hearing in this matter and the associated expenditure of District and Commission resources. The statutory date for an Order in this proceeding is January 19, 2026.
- 7. As 807 KAR 5:076, Section 11(3)(a) requires a written response to the Commission Staff report within 14 days of its issuance, the District requests that the Commission authorize a

deviation from that requirement. 807 KAR 5:076, Section 17, provides that "[u]pon a showing of good cause, the commission may permit deviations from this administrative regulation [807 KAR 5:076]." For the reasons stated above, good cause exists to grant the requested deviation.

- 8. This request is made in good faith and not for purposes of delay.
- 9. If the requested deviation to extend the time to submit a response by twenty-one days is granted, the District waives its right under KRS 278.190(2) and 807 KAR 5:076, Section 7(2) to place its proposed rates into effect subject to refund.³
- 10. If the requested deviation is not granted, the District generally objects to all findings and recommendations set forth in the Commission Staff report, invokes and asserts its right to contest any findings or recommendations contained in the Commission Staff report, and requests a hearing on the proposed rates pursuant to 807 KAR 5:076, Section 11(2).⁴

WHEREFORE, the District requests that the Commission permit a deviation from 807 KAR 5:076, Section 11(3)(a), to allow the District an extension of time until September 25, 2025 to submit a written response to the Commission Staff report or, if the requested deviation is not granted, a hearing in this matter.

³ The District acknowledges that this waiver requires the District to cease assessing the Surcharge at the end of September 2025 and to refrain from assessing the Surcharge until the issuance of a final order approving the requested Surcharge extension.

⁴ See also 807 KAR 5:001, Section 9(1)(b).

Dated: September 4, 2025

Respectfully submitted,

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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 4, 2025 and that there is currently no party that the Public Service Commission has excused from participation by electronic means in this proceeding.

Gerald E. Wuetcher