

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WATER SERVICE )  
CORPORATION OF KENTUCKY FOR AN ) CASE NO. 2013-00237  
ADJUSTMENT OF RATES )  
)

ORDER

This matter arises upon the City of Clinton's ("Clinton") October 24, 2013 motion<sup>1</sup> to intervene. Water Service Corporation of Kentucky ("WSKY") filed a response on October 30, 2013, to Clinton's motion.

WSKY, a corporation organized under KRS Chapter 271B,<sup>2</sup> owns and operates facilities used in the treatment, distribution, and furnishing of water to approximately 7,362 customers in Bell and Hickman counties, Kentucky.<sup>3</sup>

Clinton, the county seat of Hickman County, is a city of the fifth class.<sup>4</sup> It owns wastewater collection and treatment facilities that serve incorporated and unincorporated areas of Hickman County. Clinton has contracted with WSKY to operate and manage these facilities and to provide billing and collection services.

Asserting that it has an interest in the proceeding, Clinton has requested leave to intervene in this matter. In support of its motion, Clinton identifies two interests in this

---

<sup>1</sup> The pleading is styled "Request to Intervene."

<sup>2</sup> See [https://app.sos.ky.gov/ftshow/\(S\(vpsglso5mvl5dehr32gzqfjb\)\)/default.aspx?path=ftsearch&id=0534921&ct=09&cs=99999](https://app.sos.ky.gov/ftshow/(S(vpsglso5mvl5dehr32gzqfjb))/default.aspx?path=ftsearch&id=0534921&ct=09&cs=99999) (last visited Oct. 28, 2013).

<sup>3</sup> *Annual Report of Water Service Corporation of Kentucky to the Public Service Commission of the Commonwealth of Kentucky for the Calendar Year Ended December 31, 2012* at 30.

<sup>4</sup> KRS 81.010(5).

matter. First, it notes the significance of WSKY to the operation and management of Clinton's wastewater system. Clinton has had a contractual relationship with WSKY or its predecessors for the management of Clinton's wastewater operations since 1987.<sup>5</sup> Clinton's wastewater rates are based upon water usage.<sup>6</sup> Second, it states that a large segment of Clinton's population is on a fixed or limited income, and the proposed increase in water service rates and the subsequent increase in wastewater rates would have a devastating effect on this segment.<sup>7</sup>

WSKY opposes the request for intervention. It argues that Clinton's primary focus relates to the contract for WSKY to operate the city-owned wastewater facilities. WSKY notes that the Commission has expressly disclaimed any jurisdiction over Clinton's wastewater rates.<sup>8</sup>

The only person entitled to intervene as a matter of statutory right in this ratemaking proceeding is the Attorney General ("AG").<sup>9</sup> Intervention by all others is permissive and is within the Commission's discretion.<sup>10</sup> In exercising its discretion to determine permissive intervention, the Commission follows 807 KAR 5:001, Section 4(11), which provides:

---

<sup>5</sup> Request to Intervene (filed Oct. 24, 2013) at ¶ 1 and 2.

<sup>6</sup> Clinton's City Council has established Clinton's wastewater rates as 133 percent of WSKY's rates for water service.

<sup>7</sup> Request to Intervene at ¶ 5. In its Motion to Intervene, Clinton also states that it serves as a collection point for WSKY.

<sup>8</sup> Case No. 2008-00563, *Application of Water Service Corporation of Kentucky for an Adjustment of Rates* (Ky. PSC Nov. 9, 2009) at 29.

<sup>9</sup> KRS 367.150(8)(b).

<sup>10</sup> *Inter-County Rural Elec. Coop. Corp. v. Pub. Serv. Comm'n*, 407 S.W.2d. 127, 130 (Ky. 1966).

The commission shall grant a person leave to intervene if the commission finds that a person has a special interest in the case that is not otherwise adequately represented or that intervention is likely to present issues or to develop facts that assist the commission in fully considering the matter without unduly complicating or disrupting the proceedings.<sup>11</sup>

While recognizing that Clinton's primary issue involves the city-owned wastewater system, Clinton's motion also articulates a special interest on behalf of its citizens who may be adversely affected by the increase in WSKY's rates.

Having been otherwise sufficiently advised, the Commission finds that Clinton is likely to present issues and develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings and that Clinton should be granted full rights of a party in this proceeding.

IT IS HEREBY ORDERED that:

1. Clinton's motion to intervene is granted.
2. Clinton shall be entitled to the full rights of a party and, pursuant to 807 KAR 5:001, Section 8, shall be served with electronic notice of the issuance of all Commission Orders issued after the date of this Order and of all documents filed by any party to this proceeding.
3. Within seven days of the date of this Order, Clinton shall file with the Commission a written statement that it waives any right to service of Commission orders by United States mail and that it or its authorized agent possesses the facilities to receive electronic transmissions.
4. Clinton shall comply with all provisions of 807 KAR 5:001, Section 8, related to the electronic filing of documents.

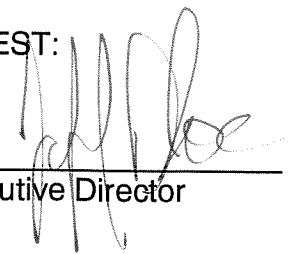
---

<sup>11</sup> 807 KAR 5:001, Section 4(11)(b).

5. Clinton shall comply with the revised scheduling order that is being issued simultaneously with this Order.

By the Commission

ENTERED <sup>02/1</sup>  
NOV 14 2013  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:   
\_\_\_\_\_  
Executive Director

Charles D Cole  
Sturgill, Turner, Barker & Moloney, PLLC  
333 West Vine Street  
Suite 1400  
Lexington, KENTUCKY 40507

Gregory T Dutton  
Assistant Attorney General  
Office of the Attorney General Utility & Rate  
1024 Capital Center Drive  
Suite 200  
Frankfort, KENTUCKY 40601-8204

Jennifer B Hans  
Assistant Attorney General's Office  
1024 Capital Center Drive, Ste 200  
Frankfort, KENTUCKY 40601-8204

Sue Ellen Morris  
Hickman County Courthouse  
110 East Clay Street, Suite D  
Clinton, KENTUCKY 42031

Mary Myers  
Sturgill, Turner, Barker & Moloney, PLLC  
333 West Vine Street  
Suite 1400  
Lexington, KENTUCKY 40507

M. Todd Osterloh  
Sturgill, Turner, Barker & Moloney, PLLC  
333 West Vine Street  
Suite 1400  
Lexington, KENTUCKY 40507

Leanna Wilkerson  
300 5th Street  
Fulton, KENTUCKY 42041