

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PROPOSED ADJUSTMENT OF)
THE WHOLESALE WATER SERVICE RATES OF) CASE NO. 2017-00133
MADISONVILLE WATER DISTRIBUTION)

ORDER

On February 6, 2017, the city of Madisonville (“Madisonville”) filed with the Commission a revised tariff sheet setting forth proposed adjustments to its existing rates for wholesale water service to Nebo Water District (“Nebo”), North Hopkins Water District (“North Hopkins”), and South Hopkins Water District (“South Hopkins”) effective on March 31, 2017. The proposed adjustment would increase the rate for wholesale water service from \$4.13 per 1,000 gallons to \$5.01 per 1,000 gallons, effective March 31, 2017.

In letters submitted to the Commission on March 6, 2017, Nebo and North Hopkins (collectively, “Intervenors”), each stated that it could not ascertain whether the proposed rate adjustment is in accordance with the methodology set forth in its contract with Madisonville, and requested the Commission to initiate a formal proceeding to investigate the reasonableness of the proposed rates. Nebo and North Hopkins also requested the Commission to direct the use of electronic filing procedures should the Commission initiate a case.

In its Order entered March 30, 2017, the Commission found that that an investigation is necessary to determine the reasonableness of the proposed rates and that such an investigation cannot be completed by March 31, 2017. Pursuant to KRS

278.190(2), the Commission suspended the effective date of the proposed rates for five months, up to and including August 30, 2017. The Commission made Nebo and North Hopkins parties to this case. The Commission directed Madisonville to have its counsel enter an appearance within ten days of the date of the Order and to state in the entry of appearance Madisonville's position on the use of electronic filing procedures in this proceeding. On April 5, 2017, counsel for Madisonville entered an appearance in this proceeding and stated that Madisonville does not object to the use of electronic filing procedures.

The Commission finds that it should direct, pursuant to 807 KAR 5:001, Section 8(1), the use of electronic filing procedures in this case. The Commission further finds that Madisonville should file verified written testimony that, at a minimum, addresses the application of the cost review formula for rate adjustments set forth in the parties' agreements and the manner in which Madisonville calculated the proposed adjustment in its rate for wholesale water service. The Commission further finds that a procedural schedule should be established to ensure an orderly investigation of Madisonville's proposed rate adjustments.

IT IS THEREFORE ORDERED that:

1. The parties shall use electronic filing procedures in this case in accordance with 807 KAR 5:001, Section 8. Any request to deviate from these rules shall be submitted in writing to the Commission for consideration.

2. The style of this case shall be amended to use the word "Electronic" as set forth above, and all future correspondence or filings in connection with this case shall reference the above style and case number.

3. Unless a party files with the commission an objection to the use of electronic filing procedures within seven days of the date of this Order, the party shall:

a. Be deemed to have consented to the use of electronic filing procedures and the service of all papers, including orders of the commission, by electronic means; and

b. File with the Commission within seven days of the date of an Order directing the use of electronic filing procedures a written statement that the party, or the party's authorized agent, possesses the facilities to receive electronic transmissions.

4. If a party objects to the use of electronic filing procedures and good cause exists to excuse the party from the use of electronic filing procedures, service of papers on and by it shall be made by mailing a copy by United States mail or other recognized mail carrier to the attorney or party at the last known address.

5. Any party filing a paper shall upload an electronic version using the Commission's E-Filing System and shall file the original with six copies in paper medium.

6. Any request for confidential treatment of material submitted shall conform to the requirements of 807 KAR 5:001, Section 13.

7. Materials submitted to the Commission that do not comply with the rules of procedure or that do not have an approved deviation are subject to rejection pursuant to 807 KAR 5:001, Section 3.

8. Madisonville shall file verified written testimony that, at a minimum, addresses the application of the cost review formula for rate adjustments set forth in the parties' agreements and the manner in which Madisonville calculated the proposed adjustment in its rate for wholesale water service.

9. Any motion to intervene filed after May 12, 2017, shall show a basis for intervention and good cause for being untimely. If the untimely motion is granted, the intervenor shall accept and abide by the existing procedural schedule.

10. The procedural schedule set forth in the Appendix to this Order shall be followed.

By the Commission

ENTERED
MAY 01 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00133 DATED **MAY 01 2017**

Requests for intervention shall be filed no later than.....	05/12/17
Madisonville shall file written testimony in accordance with ordering paragraph 6 hereof no later than.....	05/26/17
Requests for information to Madisonville shall be filed no later than.....	06/09/17
Madisonville's responses to requests for information shall be filed no later than.....	06/23/17
Intervenors may file written testimony no later than.....	07/07/17
Requests for information to Intervenors shall be filed no later than.....	07/21/17
Intervenors' responses to requests for information shall be filed no later than.....	08/04/17
Any request for a formal hearing shall be filed no later than.....	08/18/17

*Madisonville Water Distribution
600 McCoy Avenue
P. O. Box 704
Madisonville, KY 42431

*Cory C Alexander
City of Madisonville
PO Box 1270
Madisonville, KENTUCKY 42431

*Joe A Evans, III
Frymire, Evans, Peyton, Teague & Cartwright
1 South Main Street
P.O. Box 695
Madisonville, KENTUCKY 42431

*Mary Ellen Wimberly
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*North Hopkins Water District
2915 Anton Road
Madisonville, KY 42431

*Nebo Water District
45 North Bernard Street
Nebo, KY 42441