

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF ESTILL COUNTY )  
WATER DISTRICT NO. 1 FOR RATE ) CASE NO.  
ADJUSTMENT PURSUANT TO 807 KAR 5:076 ) 2017-00176

ORDER

On May 10, 2017, Estill County Water District ("Estill District") filed its rate application pursuant to 807 KAR 5:076. Pursuant to the PSC's Order of June 12, 2017, Commission Staff filed a report ("Staff Report") setting forth its findings and recommendations regarding Estill District's requested rate adjustment on August 9, 2017. Per the June 12, 2017 Order, Estill District has 14 days from the filing of the Staff Report in which to file written comments regarding the findings of Commission Staff. No party has sought intervention into this case.

The Commission finds that a hearing should be held to take evidence on Estill District's application for a rate adjustment. Estill District should be prepared to discuss 1) line loss; 2) indebtedness incurred without adhering to the procedures in KRS 278.300(1), specifically the three outstanding loans payable to Citizens Guaranty Bank ("Citizens"), originating on October 31, 2013, January 29, 2015, and January 24, 2017; respectively and 3) reasons for obtaining loans to pay operating expenses and debt payments that should be paid through the process of collecting operating revenue.

The Commission, on its own motion, HEREBY ORDERS that:

1. Estill District shall appear on November 1, 2017, at 9:00 a.m. Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard in Frankfort, Kentucky, for the purposes of presenting evidence on Estill District's rate application pursuant to 807 KAR 5:076, and including, but not limited to, any comments included in their response to Commission's Staff Report.

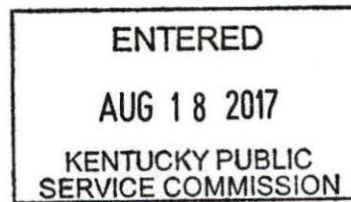
2. Estill District shall give notice of the hearing in compliance with 807 KAR 5:001, Section 9(2)(b). In addition, the notice of hearing shall include the following statement: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov." At the time the notice is mailed or publication is requested, Estill District shall forward a duplicate of the notice and request to the Commission.

3. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), the record of the formal hearing shall be digital video recording.

4. Estill District shall, in addition to any other witnesses it may seek to present, produce for examination at the November 1, 2017 hearing the following witnesses: Greg Wright, William Beard, Jerry Arnold, and Audrea Miller. Further, Estill District shall produce a witness or witnesses qualified and prepared to discuss 1) line loss; 2) indebtedness incurred without adhering to the procedures in KRS 278.300(1), specifically the three outstanding loans payable to Citizens, originating on October 31, 2013, January 29, 2015, and January 24, 2017; respectively and 3) reasons for obtaining loans to pay operating expenses and debt payments that should be paid through the process of collecting operating revenue.

5. Estill District shall file with the Commission, no later than October 25, 2017, seven days prior to hearing, a list of witnesses and exhibits to be presented at the November 1, 2017 hearing. Estill District shall provide six copies in paper medium of any exhibit it intends to introduce into evidence at the hearing.

By the Commission



ATTEST:

  
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Acting Executive Director

Case No. 2017-00176

\*Estill County Water District #1  
76 Cedar Grove Road  
Irvine, KY 40336

\*Audrea Miller  
Office Manager  
Estill County Water District #1  
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