

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In The Matter Of:

**APPLICATION OF MARTIN
COUNTY WATER DISTRICT FOR
AN ALTERNATIVE RATE
ADJUSTMENT**

Case No 2018-00017

RECEIVED

JAN 23 2018

**PUBLIC SERVICE
COMMISSION**

**MOTION OF MARTIN COUNTY CONCERNED CITIZENS, INC.
TO INTERVENE IN THIS MATTER**

Pursuant to KRS § 278.310 and 807 KAR 5:001 § 4(11)(a), Martin County Concerned Citizens, Inc. (“MCCC”) respectfully moves the Commission for leave to intervene in the above-captioned alternative rate adjustment (“ARF”) matter. MCCC seeks full intervention to protect its members’ interests in ensuring that any rate approved as part of this ARF is just and reasonable and does not unjustly discriminate against any Martin County Water District (“Martin District”) customer.

In support of this Motion, MCCC states as follows:

1. MCCC is a non-profit, non-stock membership corporation with offices at P.O. Box 938, Inez, Kentucky. MCCC can be contacted via email through the undersigned attorneys, whose email addresses are identified below. MCCC currently has over 80 members who are customers of the Martin District. MCCC was formed when a group of community members started meeting together in the spring of 2017 to organize the community’s response to Martin District’s failure to provide a safe and dependable water supply to the county’s residents. MCCC was incorporated in 2017 and is in good standing with the Kentucky Secretary of State.

2. MCCC has regular meetings in the community with Martin District rate payers to keep them informed about what is going on with the PSC's investigation of the Martin District in Case No. 2016-00142 and to hear from the community regarding its concerns with water quality, water service, and the accountability of the Martin District's managers. MCCC's goal is to ensure that each customer of the Martin District has a safe, affordable, and adequate supply of water.
3. 807 KAR 5:001(4)(11)(b) provides, "[t]he commission shall grant a person leave to intervene if the commission finds that he or she has made a timely motion for intervention and that he or she has a special interest in the case that is not otherwise adequately represented or that his or her 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." More recently, this Commission has found that "any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest in a utility's rates and service that is not otherwise adequately represented, or the issues and facts the person will present that will assist the Commission in fully considering the matter." Jul. 12, 2017 Order, Case No. 2017-00179.
4. This motion is timely. The Martin District's application was filed on January 16, 2018, just one week prior to the filing of this Motion.
5. At this time, no other party has moved to intervene in this matter. The only party before the Commission in this ARF is the Martin District.
6. MCCC is likely to present issues and develop facts that assist the Commission in fully considering what rate is just, reasonable, and non-discriminatory given the current

circumstances of the district. In particular, MCCC expects to present testimony regarding the likely impact of the proposed rate increase to the Martin District's customers, many of whom live below the federal poverty level and already have to buy water from third parties for drinking and cooking because the water provided by the Martin District is non-potable. MCCC also expects to present or solicit testimony regarding the failures of the Martin District to ensure that the district's revenues are properly spent and, relatedly, that expenses recovered in rates are appropriate for recovery.

7. As of this date, the Attorney General has not intervened in this matter on behalf of the Martin District's customers. Even if the Attorney General were to intervene in this ARF, MCCC should be allowed to intervene as well because of the high-stakes nature of this proceeding and because of MCCC's special interest in this proceeding. The Martin District has applied for a 49.5% rate increase in the midst of a water crisis that has left many in the county without a dependable water source. (*See* MCCC's Motion for an Expedited Hearing, Case No. 2016-00142, Jan. 17, 2018.) Martin District's request for an increase is extraordinary and comes at a time when the consumer's confidence in the Martin District's ability to manage its operations and its finances is very low. In order to ensure that Martin District has sufficient funds to operate, as well as the consumer confidence that Martin District's funds are appropriately spent, a representative group of actual customers must be part of the regulatory discussion. Such discussions can only occur as part of this proceeding. While the Attorney General may intervene to ensure that the rate allowed is just, reasonable and non-discriminatory, the Attorney General's interest in protecting the

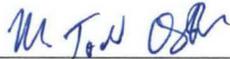
Martin District's customers does not, by statute, extend to ensuring that any rate increase is accompanied by measures aimed at ensuring transparency, accountability, and better communications with its customers. Those things are necessary to ensure the continued function of the Martin District.

8. MCCC was permitted full intervention in the recent investigation of Martin District, Case No. 2016-00142. The same reasons justify intervention in the present case.

Conclusion

WHEREFORE, MCCC requests that it be granted leave for full intervention and it be certified as a full party in this proceeding, giving it the right to present testimony and exhibits, present witnesses, cross-examine witnesses, and be served with filed testimony, exhibits, pleadings, correspondence, and all other documents submitted by the parties or orders of the Commission.

Respectfully Submitted,



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Counsel for MCCC

CERTIFICATE OF SERVICE

Pursuant to 807 KAR 5:001 Sec. 4(8), I, M. Todd Osterloh, hereby certify that on January 23, 2018, a true and accurate copy of the foregoing MOTION OF THE MARTIN COUNTY CONCERNED CITIZENS, INC. TO INTERVENE IN THIS MATTER was served via postage-paid U.S. mail and electronic mail to the following:

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Counsel for the MCCC

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