

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE)	CASE NO.
WHOLESALE WATER SERVICE RATES OF)	2019-00444
PRINCETON WATER AND WASTEWATER)	

ORDER

On November 27, 2019, Princeton Water and Wastewater (Princeton) filed with the Commission a revised tariff sheet setting forth proposed adjustments to its existing rates for wholesale water service to Caldwell County Water District (Caldwell District) and Lyon County Water District (Lyon District) effective on January 1, 2020. Princeton's current monthly wholesale water rates to each of these wholesale purchasers consist of a Monthly Customer Service Charge per meter of \$4.00 and a usage charge of \$2.2871 per 100 cubic feet.¹ Princeton's proposal increases the Monthly Customer Service Charge per meter by \$2.00, or 50 percent, to \$6.00. The proposal increases the usage charge by \$0.6829 per 100 cubic feet, or 29.9 percent, to \$2.9700 per 100 cubic feet. Princeton further proposes to assess a surcharge over a period of 36 months to the party(ies) that initiates an investigation to cover any rate case expenses it may incur to participate in or defend its proposed rates in any Commission proceeding that is initiated to investigate the reasonableness of the proposed rates. The proposed tariff listed the Rate Case Expense Surcharge as \$2,750 per month in total.

¹ *City of Princeton Water & Wastewater Commission*, P.S.C. KY. NO. 1, 6th Revised Sheet No. 1, effective August 1, 2014.

On December 13, 2019, Caldwell District and Lyon District each submitted a letter, through counsel, protesting the proposed rate adjustment and requesting that the Commission open a formal proceeding to investigate the reasonableness of the proposed rate.

Having considered the proposed rate adjustments and being otherwise sufficiently advised, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that such an investigation cannot be completed by January 1, 2020. Pursuant to KRS 278.190(2), the Commission will, therefore, suspend the effective date of the proposed rates for five months, up to and including May 31, 2020.

The Commission further finds that Caldwell District and Lyon District are likely to present issues or to develop facts that will assist the Commission in fully considering this matter and should be made parties to this proceeding. The Commission will establish a procedural schedule by subsequent Order.

All other requests for intervention should be filed by January 10, 2020. As set forth in 807 KAR 5:001, Section 4(11)(a), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding which is not adequately represented in the case, or (2) that the person requesting permissive intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Further, KRS 278.040(2) required that a person seeking intervention must have an interest in the rates or service of a utility, as those are the only matters that are subject to the Commission's jurisdiction. Therefore, any person

requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented, or the issues and facts that the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of utility service consumed by the movant or a general statement regarding a potential impact of possible modification of rates will not be deemed sufficient to establish a special interest. In addition, any motion to intervene filed after January 10, 2020, shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule, if any.

The Commission finds that Princeton should, within ten days of the date of this Order, have its counsel enter an appearance into this proceeding that contains the name, address, telephone number, fax number, and electronic mail address of counsel.

We find that the Commission may, per 807 KAR 5:001, Section 8, order the use of electronic filing procedures. Princeton should indicate its position on the use of electronic filing procedures and whether it has any objection to their use in this proceeding. Caldwell District and Lyon District should also indicate, within ten days of the date of this Order, their positions on the use of electronic filing procedures and whether they have any objection to their use in this proceeding. The Commission will defer a decision on whether to order the use of electronic filing procedures until Princeton, Caldwell District, and Lyon District file their responses to the use of electronic procedures.

IT IS THEREFORE ORDERED that:

1. This proceeding is established to investigate the reasonableness of Princeton's proposed wholesale rate increase to Caldwell District and Lyon District.

2. Princeton's proposed wholesale rate is suspended for five months from January 1, 2020, up to and including May 31, 2020.

3. Caldwell District and Lyon District are made parties to this case.

4. Princeton shall, by counsel, enter an appearance in this proceeding within ten days of the date of this Order. The entry of appearance shall include the name, address, telephone number, fax number, and electronic mail address of counsel. Further, Princeton, with its entry of appearance, shall state its position on the use of electronic filing procedures and whether it has any objection to their use in this proceeding.

5. Within ten days of the date of this Order, Caldwell District and Lyon District shall state their position on the use of electronic filing procedures and whether they have any objection to their use in this proceeding.

6. Requests for intervention shall be filed no later than January 10, 2020. Any party who submits a motion to intervene after January 10, 2020, and upon showing of good cause is granted full intervention, shall accept and abide by the existing procedural schedule, if any.

7. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission

ENTERED
DEC 20 2019
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2019-00444

*Dailey E Wilson
Wilson Law Firm, PLLC
635 Trade Avenue
PO Box 460
Eddyville, KENTUCKY 42038

*Caldwell County Water District
118 West Market Street
Princeton, KY 42445

*Lyon County Water District
5464 U. S. Highway 62 West
P. O. Box 489
Kuttawa, KY 42055

*Marvin L Wilson
Wilson Law Firm, PLLC
635 Trade Avenue
PO Box 460
Eddyville, KENTUCKY 42038

*Princeton Water and Wastewater
101 E. Market Street
Princeton, KY 42445

*Princeton Water and Wastewater
Princeton Water and Wastewater
101 E. Market Street
Princeton, KY 42445