

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF CITY OF)	CASE NO.
AUGUSTA REVISING ITS WHOLESALE WATER)	2020-00277
SERVICE RATES)	

ORDER

On April 16, 2021, Bracken County Water District (Bracken District) made a motion for hearing date, having previously filed notice that it did not intend to file any written testimony but indicating therein that it did want a hearing, and a motion for the Commission to issue subpoenas for four witnesses—Doug Padgett, Gretchen England, and Susan Butts, who are employees of the city of Augusta, and Donna J. Hendrix, a third party auditor who performed work on Bracken District’s financial statements. On April 23, 2021, the city of Augusta (Augusta) responded to the motion and argued that a hearing is not necessary, because the record is sufficient to determine the reasonableness of the proposed rate, but in the alternative, requested an informal conference (IC) to discuss possible dates and issues if the Commission intended to grant the motion for a hearing. With respect to the motion for subpoenas, Augusta indicated that if the Commission chose to have a hearing, Augusta would produce its employees at a mutually agreeable time and would encourage Ms. Hendrix to participate, but could not guarantee it, because she is employed by a third party. Bracken District filed a Reply in support of its motion.

Having reviewed Bracken District's motion, Augusta's response, and being otherwise sufficiently advised, the Commission will grant Bracken District's motion for a hearing, and a hearing will be held in this matter on May 21, 2021, as discussed below.

The Commission also finds that Bracken District's motion for the issuance of subpoenas should be granted. Notwithstanding service of the subpoenas, the Commission also finds that Augusta should make Doug Padgett and Gretchen England, who responded to requests for information in this matter, available for cross examination,¹ and Bracken District shall produce a representative(s) who is able to testify regarding communications and meetings that Bracken District had with Augusta about Augusta's proposed rate before the tariff was filed with the Commission and Bracken District's initial decision not to object to the proposed rate. Further, while the Commission does not believe that an IC is necessary, each party shall identify the issues they intend to raise at the hearing on or before May 18, 2021, to facilitate an orderly review of this matter at the hearing. Finally, the Commission finds that some additional information is needed prior to the hearing and that Augusta should respond to the request for information attached as Appendix A to this Order as indicated below and that Bracken District should respond to the request for information attached as Appendix B to this Order as indicated below.

IT IS THEREFORE ORDERED that:

1. Bracken District's motion for a hearing and for the issuance of subpoenas is granted.

¹ The Commission would also encourage Augusta to facilitate the participation of Ms. Butts and Ms. Hendrix regardless of the subpoenas as it indicated it would.

2. A hearing in this matter shall be held on Friday, May 21, 2021, at 9 a.m., Eastern Daylight Time, via video link. Commission Staff will contact participants by electronic mail to provide details for joining the hearing by video link.

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

4. The parties shall each identify the issues they intend to raise at the hearing, if any, on or before May 18, 2021.

5. The subpoenas shall be issued as of the date of this Order and shall be obtained by Bracken District from the Executive Director of the Commission.

6. Bracken District shall be responsible for serving the subpoenas.

7. Notwithstanding the service of any subpoenas in this matter, Augusta shall produce Doug Padgett and Gretchen England for cross examination at the hearing in this matter.

8. Bracken District shall produce a representative(s) at the hearing in this matter who is able to testify regarding any communications and meetings Bracken District had with Augusta about Augusta's proposed rate before the tariff was filed with the Commission and Bracken District's initial decision not to object to the proposed rate.

9. Augusta shall file responses to the information requests set forth in Appendix A within ten days from the date this Order is entered.

10. Bracken District shall file responses to the information requests set forth in Appendix B within ten days from the date this Order is entered.

By the Commission



ATTEST:


Linda C. Bidwell
Executive Director

Case No. 2020-00277

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2020-00277 DATED APR 30 2021

1. Refer to the Excel spreadsheet filed February 25, 2020, as part of Augusta's amended responses to request for information entitled *Amended_Augusta_Responses_to_Information_Requests.xlsx* at Tab *PSC 2-3 FY19 Repairs*.
 - a. Provide contracts, invoices, or bills to support each repair expense identified therein.
 - b. If contracts, invoices, or bills for a listed expense do not exist, provide any other documentation to support the expense entry.
 - c. Explain how the original version of Tab *PSC 2-3 FY19 Repairs* was created and how the corrected version was created.
2. Provide an update to Augusta's response to Commission Staff's Second Request for Information, Item 2(b) requesting all expenses incurred in preparing this case with detailed invoices.
3.
 - a. Provide the names of all members of the Water Treatment Plant Advisory Board.
 - b. Provide all minutes from this Advisory Board's meetings since January 2020.
4. Explain the increase in salaries and wages for the water treatment plant in the 2020 audited financial statement as compared to the 2019 report, and provide payroll reports and the benefit costs for each employee for FY 2020 like those provided for FY 2019 in response to Bracken District's First Request for Information, Items 9 and 11.

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2020-00277 DATED APR 30 2021

1. Identify the name and title or position of the person or persons who are responsible for directing the activities of counsel in this case, monitoring time spent by legal counsel, and approving or recommending payment of attorney fees.
2. Identify the name and title or position of the person or persons who are responsible for communicating with Augusta regarding proposed rate increases, and explain the nature of each such person's communications.
3.
 - a. Provide the names of all members of the Water Treatment Plant Advisory Board.
 - b. Provide all minutes from this Advisory Board's meetings since January 2020.
4. Identify all expenses incurred by Bracken District in litigating this matter, and provide detailed invoices for those expenses.

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